

BRIDGECROWD LENDER DECLARATION OF TRUST

To all Lenders of the BridgeCrowd Platform and any other persons whom it may concern:

BACKGROUND

- (A) Social Money Limited is the owner, manager and operator of the BridgeCrowd Platform, an online facility which allows those Lender who have agreed to observe and be bound by the rules of the BridgeCrowd Platform (the "**BC Rules**") as set out in the Global Lender Provisions and related Finance Documents.
- (B) As part of the normal operation of the BridgeCrowd Platform, BridgeCrowd is involved in the collection and allocation of funds paid in connection with the provision of bridging loans. As a result, at certain times BridgeCrowd may hold funds and Security for Lenders. This Declaration of Trust sets out the terms on which such Trust Assets are held.
- (C) As part of the normal operation of the BridgeCrowd Platform, BridgeCrowd is involved in the operation and management of each Loan. This Declaration of Trust sets out the terms on which BridgeCrowd will operate as agent and trustee on behalf of each Lender.

OVERRIDING PRINCIPLES OF PARTICIPATION

- (A) **We lend money in respect of UK Property over which We take Security ("Trust Assets").**
- (B) **This BridgeCrowd Platform has been established on the overriding principle of protection of each Lender and that each Lender's Investment follows the performance of each Loan in which it invests. This means:**

1. Each Lender's interests in the Trust Assets. On the insolvency of BridgeCrowd, each Lender's interests in the Trust Assets is protected and will not form part of BridgeCrowd's assets and will not be used to repay any of BridgeCrowd's liabilities. The Trust Assets will at all times belong to and be the assets of the Lender under the terms of this Trust. Any relevant appointed insolvency practitioner will segregate all such Lender monies and will manage the outstanding Loans to ensure that any returns are paid directly to the relevant Lenders.

2. Each Loan which a Lender advances and forms part of their Trust Assets will 'stand on its own merits'. If one Loan should default this will have no impact on the other Loans which a Lender advances

1 Defined Terms and Overriding Provisions

Terms defined in the Global Lender Provisions have the same meaning when used in this Declaration of Trust. All the terms, provisions and exclusions of the Global Lender Provisions shall apply equally to this Declaration of Trust.

2 Client Bank Account Declaration

BridgeCrowd declares that it will: (a) treat as its client any Lender (when acting as such) who has been accepted as a Lender and able to participate in the Platform; and (b) treat any money held by BridgeCrowd on behalf of any Lender in accordance with the BC Rules as segregated client money unless and until properly applied by BridgeCrowd in accordance with the BC Rules; and (c) treat the bank account in which such client money is held by BridgeCrowd as a separate client bank account.

3 Acknowledgement, Confirmation and Declaration of Trust

- 3.1 BridgeCrowd acknowledges and confirms, and to the extent necessary or desirable declares, that:

- (a) all funds held for Lenders have at all times been and will at all times be treated by BridgeCrowd as 'client money' and will form part of the Trust Assets;
 - (b) all accounts operated by BridgeCrowd designated in the names of Lenders have at all times been and will at all times be treated as client trust accounts;
 - (c) BridgeCrowd has at all times held and will at all times hold the client accounts and client money on trust for the benefit of the Lender by whose name the account is designated, subject to the terms and conditions of the BC Rules governing the use and operation of the BridgeCrowd Platform; and
 - (d) all Security held for Lenders have been and will at all times be treated as Trust Assets in accordance with the terms of this Trust.
- 3.2 In respect of each relevant Lender, this Declaration of Trust will be treated by as having been effective on and with effect from the date on which that Lender is accepted as a Lender to the BridgeCrowd Platform and from such date, the Lender's Trust Assets shall be held in accordance with the trust provisions as set out in this Declaration of Trust and separate from BridgeCrowd's money.
- 3.3 BridgeCrowd undertakes at all times for the purposes of this Declaration of Trust to maintain client bank accounts at one or more approved banks into which Lender's money is to be paid and to keep a register of Trust Assets in respect of each Lender .

4 Trust Funds

- 4.1 Any money which for the time being is held by BridgeCrowd on the terms of this Declaration of Trust, is held:
- (a) for the Lenders for the purposes of transactions entered into by the Lenders on the BridgeCrowd Platform, in accordance with the BC Rules; and
 - (b) subject to clause 4.1(a) and after all claims in clause 4.1(a) have been met, for the Lender or Lenders beneficially entitled to that money according to their respective interests in it.
- 4.2 For the avoidance of any doubt this Declaration of Trust:
- (a) subject to the trusts set out in the previous clauses, makes all client money subject to clause 2 and 3 above; and
 - (b) extends to other money which is for the time being held to the credit of any of the accounts opened by BridgeCrowd as a client trust bank account and used for segregating client money for the purposes of this Declaration of Trust.

5 Powers of BridgeCrowd

- 5.1 BridgeCrowd may not make advances of credit to itself out of the client money held in trust unless instructed to do so by the Lender in order to enable it to participate in an Investment.
- 5.2 Subject to clause 5.1, and without imposing any additional duty or responsibility in this respect on BridgeCrowd, BridgeCrowd is authorised to transfer monies between Lenders if monies have been incorrectly allocated to a particular Lender or to facilitate the operation of trades between relevant Lenders on the Secondary Market.
- 5.3 Any interest earned on or derived from BridgeCrowd's holding of client money (subject and without prejudice to any other agreement which BridgeCrowd may make with any Lenders) will belong to the Lender in whose name the client account in question is designated. BridgeCrowd is not required to account for the interest arising to any other person.
- 5.4 BridgeCrowd may at any time and from time to time by deed supplemental to this Declaration of Trust amend the terms of this Declaration of Trust for any reason, including but not limited to

compliance with any applicable legal or regulatory requirements, requirements of banks holding client accounts, or other operational reasons, PROVIDED that no amendment may be made after failure of BridgeCrowd and no amendment may be made which diminishes or materially affects adversely the existing beneficial interest of any Lender in any part of the funds for the time being subject to the trusts constituted by this Declaration of Trust.

6 Notification to Banks

- 6.1 BridgeCrowd may deliver a certified copy of this Declaration of Trust to any bank, at which from time to time client accounts may be held or which from time to time may be holding any client monies.
- 6.2 When acting as trustee under the this Declaration of Trust BridgeCrowd will not be responsible for any liability incurred by reason of the appointment, misconduct or default of any bank or any other person under, nor will BridgeCrowd be obliged to supervise any such bank beyond the reasonable day-to-day interaction between a commercial bank and its commercial customer.

7 Agency and Trustee Provisions

- 7.1 Each Lender, by becoming a Lender appoints BridgeCrowd to act as its agent under and in connection with the Finance Documents. BridgeCrowd declares that it holds the Security on trust for itself and each Lender on the terms contained in the BC Rules and this Declaration of Trust. Each Lender authorises BridgeCrowd to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions. No Lender shall have any independent power to enforce, or have recourse to, any of the Security or to exercise any right, power, authority or discretion arising under any document granting Security except through BridgeCrowd.
- 7.2 BridgeCrowd shall exercise or refrain from exercising any right, power authority or discretion vested in it under any Finance Document as it may determine acting in its complete discretion.
- 7.3 BridgeCrowd shall not be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account nor shall be obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion
- 7.4 BridgeCrowd may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as it shall deem appropriate. BridgeCrowd shall not be liable for any error of judgment made by any such person; or be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person.
- 7.5 No Lender may take any proceedings against any officer, employee or agent of BridgeCrowd in respect of any claim it might have against BridgeCrowd or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Security. BridgeCrowd will not will be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by BridgeCrowd if it has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by BridgeCrowd for that purpose.
- 7.6 Each Lender shall supply to BridgeCrowd with any information that BridgeCrowd as agent and trustee may reasonably specify as being necessary or desirable to enable BridgeCrowd to perform its duties as agent and trustee.
- 7.7 If any Lender owes an amount to BridgeCrowd under the Finance Documents, BridgeCrowd may, after giving notice to that Lender, deduct an amount not exceeding that amount from any payment to that Lender which BridgeCrowd would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Lender shall be regarded as having received any amount so deducted.

- 7.8 BridgeCrowd shall not be liable for any failure to: (i) require the deposit with it of any deed or document certifying, representing or constituting the title of any Borrower to any of the Security; (ii) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Security; (iii) register, file or record or otherwise protect any of the Security under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Security; (iv) take, or to require any Borrower to take, any step to perfect its title to any of the Security or to render the Security effective or to secure the creation of any ancillary Security under any law or regulation; or (v) require any further assurance in relation to any Security.
- 7.9 BridgeCrowd may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- 7.10 The rights, powers, authorities and discretions given to BridgeCrowd under or in connection with the Finance Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in BridgeCrowd by law or regulation or otherwise. Section 1 of the Trustee Act 2000 shall not apply to the duties of BridgeCrowd in relation to the trusts constituted by this Agreement. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Declaration of Trust, the provisions of this Declaration of Trust, shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Declaration of Trust, shall constitute a restriction or exclusion for the purposes of that Act.



Executed and delivered as a **Deed**)
on the date stated above by **Social**) (signature)
Money Limited trading as)
BridgeCrowd acting by a director) LOUIS ALEXANDER
in the presence of:)



CHARLOTTE ALEXANDER
SECRETARY
W.D. 13/15

.....
(witness signature and address)