SECURITY TRUSTEE AGREEMENT

Strictly Private & Confidential

CTK-Services | Beaufort Property Invest Security Trustee Agreement

Between

CTK Services
(as Security Trustee)

BEAUFORT PROPERTY INVEST LTD
as Borrower

and

THE LOAN NOTE HOLDERS
(as Beneficiaries)

Dated 15 May 2025

TABLE OF CONTENTS

THIS AGREEMENT is made on 15 May 2025

BETWEEN:

(1) CTK Services Limited (trading style of Constructkoin Ltd), a company incorporated in England and Wales with company number 14591050, whose registered office is at 20 Wenlock Road, London, N1 7GU (the "Security Trustee");

(2) BEAUFORT PROPERTY INVEST LTD, a company incorporated in England and Wales with company number 12169000, whose registered office is at 1 Mayfair Place, Devonshire House, Mayfair, London, W1J 8AJ (the "Borrower"); and

(3) THE LOAN NOTE HOLDERS, being those persons who have subscribed for loan notes issued by the Security Trustee during the subscription period and whose interests are represented by the Security Trustee (the "Beneficiaries" or "Investors").

WHEREAS:

(A) The Security Trustee has conducted a loan note subscription pursuant to which investors have acquired loan notes representing interests in projects financed by the Security Trustee.

(B) The Borrower has entered into financing arrangements with the Security Trustee and has granted security in favour of the Security Trustee pursuant to a debenture dated 16 January 2025 (the "Debenture").

(C) The Security Trustee has agreed to hold the benefit of the Debenture and any other security documents on trust for the Beneficiaries to provide them with security and assurance regarding their investment.

(D) The Security Trustee shall manage and enforce the security in its sole discretion for the benefit of the Beneficiaries.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"Ctk-services" means the trading name of Construct koin Limited (the Security Trustee);

"Enforcement Action" means any action to enforce any Security Document including, without limitation:
- (a) the making of a demand for payment;
- (b) the appointment of a receiver or administrator;
- (c) the exercise of any power of sale;
- (d) the taking of possession of any Secured Property;
- (e) the commencement of any legal proceedings;

"Investor" or "Investors" means a Loan Note Holder or Loan Note Holders;

"Investor Portal" means the online platform maintained by the Security Trustee for communications with Investors;

"Liabilities" means all present and future liabilities and obligations of the Borrower to the Security Trustee under or in connection with the Security Documents;

"Loan Note" means a loan note issued by the Security Trustee during the Subscription Period;

"Loan Note Holder" means a person who holds Loan Notes as evidenced by the Register;

"Outstanding Loan Notes" means loan notes issued during the Subscription Period that remain validly held by Loan Note Holders and have not been redeemed, cancelled or forfeited;

"Recoveries" means all amounts received or recovered by the Security Trustee in respect of the Liabilities or under the Security Documents;

"Register" means the register of Loan Note Holders maintained by the Security Trustee;

"Secured Property" means all assets subject to security under the Security Documents;

"Security Documents" means:
- (a) the Debenture;
- (b) any debt note security certificate issued by Beaufort Property Invest Ltd for interest payments;
- (c) any guarantee provided by Beaufort Construction Ltd;
- (d) any other document creating or evidencing security for the Liabilities;

"Subscription Period" means the period from [START DATE] to [END DATE] during which the Security Trustee conducted its loan note subscription;

"Trust Property" means:
- (a) the benefit of all Security Documents;
- (b) all rights, title and interest of the Security Trustee in and to the Secured Property;

- (c) all Recoveries;
- (d) all rights and benefits arising under this Agreement.

1.2 In this Agreement:

1.2.1 references to "persons" include individuals, companies, corporations, partnerships, associations and bodies of persons;

1.2.2 the singular includes the plural and vice versa;

1.2.3 references to clauses are to clauses of this Agreement;

1.2.4 headings are for convenience only and do not affect interpretation.

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2. APPOINTMENT OF SECURITY TRUSTEE

2.1 The Borrower and the Beneficiaries hereby acknowledge the Security Trustee's role as security trustee for the Beneficiaries on the terms set out in this Agreement.

2.2 The Security Trustee agrees to act as security trustee in accordance with this Agreement and to manage the security for the benefit of the Beneficiaries.

2.3 The Security Trustee shall hold the Trust Property on trust for the Beneficiaries in accordance with their respective interests as determined by their Loan Note holdings.

2.4 The Security Trustee shall have sole discretion in managing and enforcing the Security Documents, exercising its professional judgment to protect the Beneficiaries' interests.

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3. DECLARATION OF TRUST

3.1 The Security Trustee hereby declares that it holds and will hold the Trust Property on trust absolutely for the Beneficiaries.

3.2 Each Beneficiary's beneficial interest in the Trust Property shall be proportionate to the nominal value of Loan Notes held by that Beneficiary as a percentage of all Outstanding Loan Notes.

3.3 The Security Trustee acknowledges that:

3.3.1 it has no beneficial interest in the Trust Property;

3.3.2 it holds the Trust Property solely in its capacity as trustee for the Beneficiaries;

3.3.3 it shall manage the Trust Property in accordance with its fiduciary duties.

3.4 The trust created by this Agreement is irrevocable and shall continue until all Liabilities have been unconditionally and irrevocably paid and discharged in full.

3A. LOAN NOTE VALUE AND INTEREST

3A.1 Each Loan Note has a nominal value determined in the beneficiary application form in pounds sterling.

3A.2 The Borrower shall pay interest on the nominal value of the Loan Notes at the rate determined by the information memorandum and confirmed by the beneficiary in the application form.

3A.3 Interest shall be calculated on the outstanding nominal value of Loan Notes and paid annually to Loan Note Holders through the Security Trustee.

3A.4 The Security Trustee shall distribute interest payments to Loan Note Holders pro rata according to their Loan Note holdings.

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4. SECURITY DOCUMENTS

4.1 The Security Trustee confirms that it has entered into the Debenture and holds the benefit thereof as trustee for the Beneficiaries.

4.2 The Security Trustee shall:

4.2.1 perfect, protect and preserve the security created by the Security Documents;

4.2.2 execute any documents and take any actions reasonably necessary to maintain the validity and enforceability of the Security Documents;

4.2.3 manage the Security Documents in accordance with its professional judgment.

4.3 The Borrower shall not create any security interest ranking in priority to or pari passu with the security created by the Security Documents without the prior written consent of the Security Trustee.

4.4 The Security Trustee may, in its discretion, consent to amendments, waivers or releases under the Security Documents if it considers such action to be in the best interests of the Beneficiaries.

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5. REGISTER OF LOAN NOTE HOLDERS

5.1 The Security Trustee shall maintain or procure the maintenance of the Register showing:

5.1.1 the identity of each Loan Note Holder;

5.1.2 the number and nominal value of Loan Notes held by each Loan Note Holder;

5.1.3 the date of subscription of Loan Notes;

5.1.4 any transfers of Loan Notes.

5.2 The Register shall be conclusive evidence of Loan Note ownership for all purposes under this Agreement.

5.3 Loan Note Holders may transfer Loan Notes in accordance with the terms and conditions of the Loan Notes, and any transferee shall automatically become a Beneficiary under this Agreement upon registration in the Register.

5.4 The Security Trustee shall provide Loan Note Holders with access to verify their holdings through the Investor Portal.

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6. POWERS AND DUTIES OF SECURITY TRUSTEE

6.1 The Security Trustee shall have all powers necessary or incidental to the performance of its duties under this Agreement, including power to:

6.1.1 enforce the Security Documents at such times and in such manner as it considers appropriate;

6.1.2 appoint agents, delegates and professional advisers;

6.1.3 bring or defend legal proceedings;

6.1.4 compromise or settle claims;

6.1.5 do all acts and execute all documents in the name of the Borrower or otherwise.

6.2 The Security Trustee shall:

6.2.1 act in the best interests of the Beneficiaries as a whole;

6.2.2 exercise reasonable care and skill in performing its duties;

6.2.3 monitor the Borrower's compliance with the Security Documents;

6.2.4 keep proper records and accounts;

6.2.5 provide information to Investors as required by this Agreement.

6.3 The Security Trustee shall not:

6.3.1 be required to take any action which would be unlawful or breach any regulation;

6.3.2 be required to expend its own funds unless indemnified to its satisfaction;

6.3.3 be liable for any loss unless caused by its gross negligence or wilful misconduct.

6.4 The Security Trustee may rely on its professional judgment and expertise in all matters relating to the Security Documents and their enforcement.

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7. ENFORCEMENT OF SECURITY

7.1 If the Borrower defaults under any Security Document, the Security Trustee shall:

7.1.1 assess the situation and determine the appropriate response;

7.1.2 take such action as it considers necessary to protect the Beneficiaries' interests;

7.1.3 notify Investors of material defaults and actions taken.

7.2 The Security Trustee shall have absolute discretion to:

7.2.1 determine when to take Enforcement Action;

7.2.2 decide the nature and timing of any Enforcement Action;

7.2.3 negotiate with the Borrower regarding remedies or restructuring;

7.2.4 determine whether to accelerate, enforce or forbear.

7.3 In exercising its enforcement powers, the Security Trustee shall:

7.3.1 act in good faith;

7.3.2 consider the best interests of Beneficiaries as a whole;

7.3.3 seek to maximize recoveries where enforcement is necessary;

7.3.4 keep Investors informed of material developments.

7.4 The Security Trustee may appoint Williams & Co Chartered Accountants who in turn may appoint receivers, administrators or other insolvency officers as permitted by the Security Documents when it deems appropriate.

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8. APPLICATION OF RECOVERIES

8.1 All Recoveries shall be applied by the Security Trustee in the following order:

8.1.1 first, in payment of all costs and expenses of enforcement;

8.1.2 second, in payment of the Security Trustee's remuneration and expenses;

8.1.3 third, in payment of any receiver's or administrator's remuneration and expenses;

8.1.4 fourth, in or towards satisfaction of the Liabilities;

8.1.5 fifth, any surplus to the Borrower.

8.2 Distributions to Loan Note Holders from amounts received under clause 8.1.4 shall be made:

8.2.1 pro rata according to Loan Note holdings;

8.2.2 by bank transfer to the bank accounts designated by Loan Note Holders;

8.2.3 after deduction of any applicable taxes.

8.3 The Security Trustee shall distribute amounts to Loan Note Holders within 30 Business Days of receipt, provided that:

8.3.1 it may retain amounts reasonably required for future expenses;

8.3.2 it may make interim distributions of substantial recoveries;

8.3.3 unclaimed amounts shall be held for 6 years before reverting to the Borrower.

8.4 The Security Trustee shall provide Loan Note Holders with a distribution statement showing:

8.4.1 amounts recovered;

8.4.2 deductions made;

8.4.3 amounts distributed;

8.4.4 amounts retained and reasons.

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9. LIABILITY AND INDEMNITY

9.1 The Security Trustee shall not be liable for:

9.1.1 any loss arising from the exercise of its discretion in good faith;

9.1.2 the default of any agent or delegate appointed with reasonable care;

9.1.3 any reduction in value of the Secured Property;

9.1.4 any invalidity or unenforceability of Security Documents not caused by its default;

9.1.5 any decision to enforce or not to enforce the Security Documents.

9.2 The Borrower shall indemnify the Security Trustee against all liabilities, costs and expenses incurred in connection with:

9.2.1 the performance of its duties under this Agreement;

9.2.2 the enforcement of the Security Documents;

9.2.3 any legal proceedings relating to the Trust Property.

9.3 The indemnity in clause 9.2 shall:

9.3.1 survive termination of this Agreement;

9.3.2 not apply to liabilities caused by the Security Trustee's gross negligence or wilful misconduct;

9.3.3 be secured by the Security Documents.

9.4 Loan Note Holders shall not be personally liable for any obligations under this Agreement beyond their Loan Note investment.

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10. REMUNERATION AND EXPENSES

10.1 The Security Trustee shall be entitled to reasonable remuneration for its services as agreed with the Borrower, such remuneration to be paid by the Borrower.

10.2 All costs and expenses properly incurred by the Security Trustee shall be reimbursed by the Borrower, including:

10.2.1 legal and professional fees;

10.2.2 costs of maintaining the Investor Portal;

10.2.3 costs of communications and reporting;

10.2.4 enforcement costs.

10.3 If the Borrower fails to pay remuneration or expenses, the Security Trustee may deduct them from Recoveries in accordance with clause 8.1.

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11. INFORMATION AND REPORTING

11.1 The Security Trustee shall provide Investors with:

11.1.1 quarterly reports on the status of the Security Documents and any material developments;

11.1.2 notification of any material default by the Borrower;

11.1.3 notification of any Enforcement Action taken;

11.1.4 annual summary of the Trust Property status.

11.2 Reports and notices shall be provided through the Investor Portal and shall be deemed received when posted.

11.3 The Security Trustee shall maintain confidentiality regarding commercially sensitive information while providing Investors with sufficient information to understand the status of their security.

11.4 The Borrower shall provide the Security Trustee with all information reasonably required to monitor compliance with the Security Documents.

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12. AMENDMENTS

12.1 This Agreement may be amended by agreement between the Security Trustee and the Borrower, provided that no amendment shall:

12.1.1 reduce the Beneficiaries' proportionate entitlements to distributions;

12.1.2 change the trust structure to remove the Beneficiaries' beneficial interest;

12.1.3 alter the priority of distributions under clause 8.1.

12.2 The Security Trustee shall notify Investors of any material amendments to this Agreement.

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13. NOTICES

13.1 Notices under this Agreement shall be given:

13.1.1 to the Security Trustee: Constructkoin Limited (trading as ctk-services), 20 Wenlock Road, London, N1 7GU;

13.1.2 to the Borrower: at 1 Mayfair Place, Devonshire House, Mayfair, London, W1J 8AJ;

13.1.3 to Investors: through the Investor Portal.

13.2 Notices shall be effective:

13.2.1 if delivered personally: on delivery;

13.2.2 if sent by post: 2 Business Days after posting;

13.2.3 if sent electronically: when posted on the Investor Portal.

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14. MISCELLANEOUS

14.1 This Agreement constitutes the entire agreement between the parties relating to its subject matter.

14.2 If any provision is invalid or unenforceable, the remaining provisions shall continue in full force.

14.3 This Agreement may be executed in counterparts, each constituting an original.

14.4 The rights and remedies in this Agreement are cumulative and not exclusive of any rights provided by law.

14.5 No delay or omission in exercising any right shall constitute a waiver.

14.6 This Agreement shall be binding on and inure to the benefit of successors and assigns.

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15. GOVERNING LAW AND JURISDICTION

15.1 This Agreement and any non-contractual obligations arising from it are governed by English law.

15.2 The courts of England have exclusive jurisdiction to settle any disputes arising from this Agreement.

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EXECUTION PAGE

IN WITNESS whereof the parties have executed this Agreement as a deed on the date first written above.

EXECUTED AS A DEED BY:

CTK Services
(Construct Koin Ltd)
acting by a director
in the presence of:

____
Director

____
Witness signature

Name:
Address:

EXECUTED AS A DEED BY:

BEAUFORT PROPERTY INVEST LTD
acting by a director
in the presence of:

____
Director

____
Witness signature

Name:
Address: