

DATED 29 JANUARY 2004

**CITICORP TRUSTEE COMPANY LIMITED**  
as the Trustee

- and -

**PARAGON FINANCE PLC**  
as the Administrator

- and -

**FIRST FLEXIBLE NO. 6 PLC**  
as the Issuer

**TWENTY SIXTH SUPPLEMENTAL VAT  
DEED OF DECLARATION OF TRUST**

RELATING TO

**A RESIDENTIAL MORTGAGE SECURITISATION  
INVOLVING FIRST FLEXIBLE NO. 6 PLC**

**Lovells**

Ref: C5/MKCF/1195328.03

**THIS TWENTY SIXTH SUPPLEMENTAL VAT DEED OF DECLARATION OF TRUST** is made on 29 January 2004

**BETWEEN:**

- (1) **Citicorp Trustee Company Limited** whose principal place of business is at Citigroup Centre, 14th Floor, Canada Square, Canary Wharf, London E14 5LB (the "**Trustee**");
- (2) **Paragon Finance PLC** whose registered office is at St Catherine's Court, Herbert Road, Solihull, West Midlands B91 3QE ("**PFPLC**"); and
- (3) **First Flexible No. 6 plc** whose registered office is at St Catherine's Court, Herbert Road, Solihull, West Midlands B91 3QE (the "**New Future Beneficiary**").

**WHEREAS**

- (A) This Deed is supplemental to a PFPLC Declaration of Trust dated 19 March, 1993 (the "**Original Declaration of Trust**") made by PFPLC in favour of the Issuers and any Future Beneficiary (both as defined therein) as amended, restated and supplemented, inter alia, by:

a Supplemental Deed of Declaration of Trust made on 6 October 1994;

a Second Supplemental Deed of Declaration of Trust made on 26 January 1995;

a Third Supplemental Deed of Declaration of Trust made on 18 December 1995;

a Fourth Supplemental Deed of Declaration of Trust made on 26 January 1996;

a Fifth Supplemental Deed of Declaration of Trust made on 28 June 1996;

a Sixth Supplemental Deed of Declaration of Trust made on 28 October 1996;

a Seventh Supplemental Deed of Declaration of Trust made on 29 November 1996;

an Eighth Supplemental Deed of Declaration of Trust made on 3 April 1997;

a Ninth Supplemental Deed of Declaration of Trust made on 30 June 1997;

a Tenth Supplemental Deed of Declaration of Trust made on 27 January 1998;

an Eleventh Supplemental Deed of Declaration of Trust made on 17 March 1998;

a Twelfth Supplemental Deed of Declaration of Trust made on 17 March 1998;

a Thirteenth Supplemental Deed of Declaration of Trust made on 16 June 1998;

a Fourteenth Supplemental Deed of Declaration of Trust made on 30 September 1998;

a Fifteenth Supplemental Deed of Declaration of Trust made on 12 October 1998;

a Sixteenth Supplemental Deed of Declaration of Trust made on 11 June 1999;

a Seventeenth Supplemental Deed of Declaration of Trust made on 29 February 2000;

an Eighteenth Supplemental Deed of Declaration of Trust made on 16 October 2000;

a Nineteenth Supplemental Deed of Declaration of Trust made on 8 November 2001;

a Twentieth Supplemental Deed of Declaration of Trust made on 12 December 2001;

a Twenty First Supplemental VAT Deed of Declaration of Trust made on 27 March 2002;

a Twenty Second Supplemental VAT Deed of Declaration of Trust made on 29 May 2002;

a Twenty Third Supplemental Deed of Declaration of Trust made on 30 April 2003;

a Twenty Fourth Supplemental Deed of Declaration of Trust made on 26 June 2003; and

a Twenty Fifth Supplemental VAT Deed of Declaration of Trust made on 14 October 2003.

(the Original Declaration of Trust as amended, restated and supplemented by each of those Supplemental Deeds being the "**Declaration of Trust**").

- (B) PFPLC notified the Trustee (with a copy to Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. and to Moody's Investors Service Limited) on 12 November 2003 that the New Future Beneficiary joined the PFPLC VAT Group.
- (C) The New Future Beneficiary, pursuant to PFPLC filing the appropriate forms with HM Customs & Excise, became a member of the Paragon VAT Group on 1 November 2003.
- (D) The New Future Beneficiary is entering into this Deed to record its agreement to comply with its obligations as a Future Beneficiary under the Declaration of Trust and to give to the Trustee a power of attorney in the form of the power of attorney contained in Clause 9(B) thereof mutatis mutandis.

**NOW THIS TWENTY SIXTH SUPPLEMENTAL VAT DEED OF DECLARATION OF TRUST WITNESSES as follows:**

**1. DEFINITIONS**

Terms used in this Deed (but not otherwise defined herein) have the same meanings when used in this Deed as in the Declaration of Trust.

**2. CONFIRMATIONS BY THE TRUSTEE**

The Trustee confirms that:

- (a) pursuant to a sale and purchase agreement dated 26 June 1998 between the Trustee and Morgan Guaranty Trust Company of New York ("**MGT**"), the Trustee is the successor to MGT as the trustee in respect of the Trust Account under the Declaration of Trust; and
- (b) the Trust Account is an account in the name of the Trustee and is currently the account numbered 56177496 with National Westminster Bank PLC.

**3. FUTURE BENEFICIARY**

The New Future Beneficiary agrees to comply with the obligations of a Future Beneficiary under the Declaration of Trust.

**4. APPOINTMENT OF ATTORNEY**

The New Future Beneficiary hereby appoints, irrevocably and by way of security, the Trustee to be its attorney on its behalf and in its name or otherwise to execute any document or do any act or thing which it is obliged to do (but has not done) under Clause 9(A) of the Declaration of Trust or otherwise under the Declaration of Trust.

**5. ONE AGREEMENT**

The Declaration of Trust is hereby confirmed and shall remain in full force and effect. This Deed and the Declaration of Trust shall be read and construed as one document and this Deed shall be considered to be part of the Declaration of Trust and, without prejudice to the generality of the foregoing, where the context so allows, references in the Declaration of Trust to the Declaration of Trust, howsoever expressed, shall be read and construed as references both to the Declaration of Trust as amended by this Deed and to this Deed.

**6. COUNTERPARTS**

This Deed may be executed in any number of counterparts and by different parties on separate counterparts and all such counterparts together shall constitute one and the same instrument.

7. **DEED**

Each of the parties to this Deed intends it to be a deed. The execution of this Deed by or on behalf of a party shall constitute an authority to the solicitors, or an agent or employee of the solicitors, acting for that party in connection with this Deed to deliver it as a deed on behalf of that party.

8. **GOVERNING LAW**

This Deed is governed by, and shall be construed in accordance with, English law.

**IN WITNESS WHEREOF** the parties have caused this Deed to be signed on their respective behalves on the day and year first before written.

**Executed by:  
in its capacity as Trustee  
as its deed as follows:**

**Citicorp Trustee Company Limited**

Signed for and on its behalf by one of its directors and by another of its directors/its secretary

By /s/ Jillian Hamblin

Name

By /s/ David Mares

Name

**Signed for and on behalf of:  
as its deed as follows:**

**Paragon Finance PLC**

Signed for and on its behalf by one of its directors and another of its directors/its secretary

By /s/ Nicholas Keen

By /s/ John Gemmell

**Signed for and on behalf of:  
as its deed as follows:**

**First Flexible No. 6 plc**

Signed for and on its behalf under a  
power of attorney dated:

20 January 2004

In the presence of

Michael Lorraine

By /s/ Adem Mehmet

Name