

CONFIRMATION

Dated 17 November 2005

From: **HSBC BANK PLC**
8 Canada Square
London E14 5HQ

To: **PARAGON MORTGAGES (NO. 10) PLC**
St. Catherine's Court
Herbert Road
Solihull
West Midlands B91 3QE

Attention: The Company Secretary

CITICORP TRUSTEE COMPANY LIMITED
Citigroup Centre, 14th Floor
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency & Trust
Reference ID: 459967ML

Dear Sirs

Currency Swap A1 Agreement
Paragon Mortgages (No. 10) PLC

The purpose of this letter is to confirm the terms and conditions of the swap transactions entered into between us on the Trade Date specified below (the "**Swap Transactions**"). This letter constitutes a "Confirmation" as referred to in the 1992 ISDA Master Agreement (Multicurrency-Cross Border) entered into between us and both of you in connection with the Class A1 Notes (the "**Relevant Notes**") on the date of this Confirmation as amended and supplemented from time to time (the "**Agreement**").

The definitions and provisions contained in the 2000 ISDA Definitions as published by the International Swaps & Derivatives Association, Inc. (the "**Definitions**") are incorporated into this Confirmation. In the event of any inconsistency between the Definitions and this Confirmation, this Confirmation shall prevail. Any terms not otherwise defined herein or in the Definitions shall have the meanings given to them in the Agreement, in the Conditions (as defined in the Deed of Charge) and in the Relevant Documents (as defined in Condition 3).

This Confirmation supplements, forms part of, and is subject to, the Agreement. All provisions contained in, incorporated in, or incorporated by reference to, the Agreement shall govern this Confirmation except as expressly modified below.

The terms of the particular Swap Transactions to which this Confirmation relates are as follows:

Party A: HSBC Bank plc

Party B: Paragon Mortgages (No.10) PLC.

Trade Date: 10 November 2005

Effective Date: 17 November 2005

Termination Date: The earlier of (a) the Interest Payment Date falling in June 2041; (b) the date on which the Relevant Notes are redeemed or repaid in full; and (c) the date on which the Relevant Notes are transferred to the Conditional A1 Note Purchaser (as defined in the Conditions) in accordance with Condition 5(i) (*A1 Note Mandatory Transfer Arrangements*)

Interest Payment Date: Fifteenth day of each month, commencing on 15 December 2005 up to and including the Termination Date, adjusted in accordance with the Following Business Day Convention

Business Day: London, New York and TARGET Settlement Day

USD Amortisation Amount: In respect of an Interest Payment Date, the amount (in USD) to be applied in repayment of the principal amount of the Relevant Notes on such Interest Payment Date as notified to the Calculation Agent by the Administrator at least two Business Days prior to the relevant Interest Payment Date.

Exchange Rate: GBP 1.00: USD 1.7430

Party A Currency: USD

Floating Payments

Floating Amounts for Party A:

Floating Rate Payer: Party A.

Party A Currency Amount: As at any Party A Payment Date, USD 1,100,000,000.00 minus the aggregate of each

	Party A Interim Exchange Amount made prior to such date as determined by the Administrator
Party A Payment Dates:	Fifteenth day of each month, commencing on 15 December 2005 up to and including the Termination Date, adjusted in accordance with the Following Business Day Convention
Floating Rate Option:	USD-LIBOR-BBA
Designated Maturity:	one month; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the one week and one month dates.
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 September 2006:	0% per annum.
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date on 15 September 2006, up to and including the Calculation Period ending on but excluding the Termination Date:	The Reset Margin
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period.
Floating Amounts for Party B:	
Floating Rate Payer:	Party B.
Party B Currency Amount:	As at any Party B Payment Date, GBP 631,095,811.82 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.
Party B Payment Dates:	15 March, 15 June, 15 September and 15 December of each year commencing on 15 March 2006

Floating Rate Option:

GBP-LIBOR-BBA.

Designated Maturity:

three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in 15 September 2006:

[REDACTED]

X

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in 15 September 2006 up to and including the Calculation Period ending on but excluding the Termination Date:

[REDACTED]

X

Party B Floating Rate Day Count Fraction:

Actual/365 (Fixed)

Reset Dates:

The first day of each Calculation Period.

Calculation Agent:

Party A.

Initial Exchange

Initial Exchange Date:

Effective Date.

Party A Initial Exchange Amount:

GBP 631,095,811.82

Party B Initial Exchange Amount:

USD 1,100,000,000.00

Interim Exchange

Interim Exchange Date:

Each Interest Payment Date on which the USD Amortisation Amount is to be applied in or towards repayment of the principal amount of the Relevant Notes (as advised to Party A by the Administrator).

Party A Interim Exchange Amount:

The USD Amortisation Amount.

Party B Interim Exchange Amount:

In respect of any Interim Exchange Date, an amount in GBP equal to the Party A Interim Exchange Amount converted in GBP at the

Exchange Rate.

Final Exchange

Final Exchange Date:

Termination Date.

Party A Final Exchange Amount:

A USD amount equal to the Party B Final Exchange Amount converted into USD at the Exchange Rate.

Party B Final Exchange Amount:

The Party B Currency Amount.

Account Details

Payments to Party A:

Account for Payments in USD:

HSBC Bank USA, New York (Swift Code: MRMDUS33)
Fav HSBC Bank PLC, London (Swift Code: MIDLGB22)
Account No.: 000023868

Account for Payments in GBP:

HSBC Bank PLC, London
CHAPS Sort Code 40-53-71
SWIFT: MIDLGB22
Account No.: 35575058

Payments to Party B:

Account for Payments in USD

Citibank N.A., New York
SWIFT: CITIUS33
For Citibank N.A., London
SWIFT: CITIGB2L
Account No.: 10990765
Ref: PM10

Account for Payments in GBP

Royal Bank of Scotland plc
CBO London
Sort Code: 16-04-00
Account number: 98191021
Reference: Loans Administration
Paragon Second Funding

Offices:

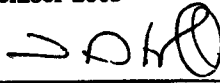
The Office of Party A for each of the Transactions evidenced by this Confirmation is London.

Yours faithfully,

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:
by:

By: 

Authorised signatory
Name

Neale Firth

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.10) PLC
17 November 2005

By: _____

Name

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By: _____
Director

Name

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:
by:

By: _____
Authorised signatory
Name

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.10) PLC
17 November 2005

By: _____
AS ATTORNEYS
Name STEPHEN BODICOTT

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By: _____
Director
Name

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:
by:

By: _____
Authorised signatory
Name

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

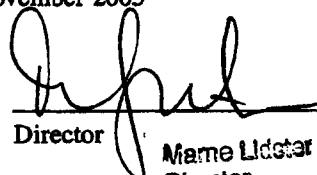
Paragon Mortgages (No.10) PLC
17 November 2005

By: _____
Name

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By: 
Director
Name Mame Lidster
Director

CONFIRMATION

Dated 17 November 2005

From: **HSBC BANK PLC**
8 Canada Square
London E14 5HQ

To: **PARAGON MORTGAGES (NO.10) PLC**
St. Catherine's Court
Herbert Road
Solihull
West Midlands B91 3QE

Attention: The Company Secretary

CITICORP TRUSTEE COMPANY LIMITED

Citigroup Centre, 14th Floor
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency & Trust
Reference ID: 459972ML

Dear Sirs

**Currency Swap A2b Agreement
Paragon Mortgages (No.10) PLC**

The purpose of this letter is to confirm the terms and conditions of the swap transactions entered into between us on the Trade Date specified below (the "**Swap Transactions**"). This letter constitutes a "Confirmation" as referred to in the 1992 ISDA Master Agreement (Multicurrency-Cross Border) entered into between us and both of you in connection with the Class A1 Notes (the "**Relevant Notes**") on the date of this Confirmation as amended and supplemented from time to time (the "**Agreement**").

The definitions and provisions contained in the 2000 ISDA Definitions as published by the International Swaps & Derivatives Association, Inc. (the "**Definitions**") are incorporated into this Confirmation. In the event of any inconsistency between the Definitions and this Confirmation, this Confirmation shall prevail. Any terms not otherwise defined herein or in the Definitions shall have the meanings given to them in the Agreement, in the Conditions (as defined in the Deed of Charge) and in the Relevant Documents (as defined in Condition 3).

This Confirmation supplements, forms part of, and is subject to, the Agreement. All provisions contained in, incorporated in, or incorporated by reference to, the Agreement shall govern this Confirmation except as expressly modified below.

The terms of the particular Swap Transactions to which this Confirmation relates are as follows:

Party A:	HSBC Bank plc
Party B:	Paragon Mortgages (No.10) PLC.
Trade Date:	10 November 2005
Effective Date:	17 November 2005
Termination Date:	The earlier of (a) the Interest Payment Date falling in June 2041; and (b) the date on which the Relevant Notes are redeemed or repaid in full.
Interest Payment Date:	Each Interest Payment Date in respect of the Relevant Notes
Business Day:	London, New York and TARGET Settlement Day
EUR Amortisation Amount:	In respect of an Interest Payment Date, the amount (in EUR) to be applied in repayment of the principal amount of the Relevant Notes on such Interest Payment Date as notified to the Calculation Agent by the Administrator at least two Business Days prior to the relevant Interest Payment Date.
Exchange Rate:	GBP 1.00: EUR 1.4800
Party A Currency:	EUR
<i>Floating Payments</i>	
Floating Amounts for Party A:	
Floating Rate Payer:	Party A.
Party A Currency Amount:	As at any Party A Payment Date, EUR 222,000,000.00 minus the aggregate of each Party A Interim Exchange Amount made prior to such date as determined by the Administrator
Party A Payment Dates:	Each Interest Payment Date in respect of the Relevant Notes

Floating Rate Option:	EUR-EURIBOR-Telerate
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010:	0.1600% per annum.
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date on 15 December 2010, up to and including the Calculation Period ending on but excluding the Termination Date:	0.3200% per annum.
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period.
Floating Amounts for Party B:	
Floating Rate Payer:	Party B.
Party B Currency Amount:	As at any Party B Payment Date, GBP 150,000,000.00 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.
Party B Payment Dates:	Each Interest Payment Date in respect of the Relevant Notes.
Floating Rate Option:	GBP-LIBOR-BBA.
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010: [REDACTED] per annum.

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in on 15 December 2010 up to and including the Calculation Period ending on but excluding the Termination Date: [REDACTED] per annum.

Party B Floating Rate Day Count Fraction: Actual/365 (Fixed)

Reset Dates: The first day of each Calculation Period.

Calculation Agent: Party A.

Initial Exchange

Initial Exchange Date: Effective Date.

Party A Initial Exchange Amount: GBP 150,000,000.00

Party B Initial Exchange Amount: EUR 222,000,000.00

Interim Exchange

Interim Exchange Date: Each Interest Payment Date on which the EUR Amortisation Amount is to be applied in or towards repayment of the principal amount of the Relevant Notes (as advised to Party A by the Administrator).

Party A Interim Exchange Amount: The EUR Amortisation Amount.

Party B Interim Exchange Amount: In respect of any Interim Exchange Date, an amount in GBP equal to the Party A Interim Exchange Amount converted in GBP at the Exchange Rate.

Final Exchange

Final Exchange Date: Termination Date.

Party A Final Exchange Amount: A EUR amount equal to the Party B Final Exchange Amount converted into EUR at the

Exchange Rate.

Party B Final Exchange Amount:

The Party B Currency Amount.

Account Details

Payments to Party A:

Account for Payments in EUR:

HSBC Bank PLC, London
SWIFT: MIDLGB22
Account No.: 87511552

Account for Payments in GBP:

HSBC Bank PLC, London
CHAPS Sort Code 40-53-71
SWIFT: MIDLGB22
Account No.: 35575058

Payments to Party B:

Account for Payments in EUR

To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: PM10

Account for Payments in GBP

Royal Bank of Scotland plc
CBO London
Sort Code: 16-04-00
Account number: 98191021
Reference: Loans Administration
Paragon Second Funding

Offices:

The Office of Party A for each of the Transactions evidenced by this Confirmation is London.

Yours faithfully,

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:

by:

By: 

Authorised signatory

Name

Neale Firth

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.10) PLC
17 November 2005

By: _____

SB Director
Name

As Attorney

Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:

acting by:

By: _____

Director

Name

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

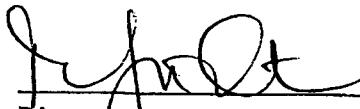
Paragon Mortgages (No.10) PLC
17 November 2005

By: _____
Director
Name

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By:  _____
Director
Name
Werner Lidster
Director

CONFIRMATION

Dated 17 November 2005

From: HSBC BANK PLC
8 Canada Square
London E14 5HQ

To: PARAGON MORTGAGES (NO.10) PLC
St. Catherine's Court
Herbert Road
Solihull
West Midlands B91 3QE

Attention: The Company Secretary

CITICORP TRUSTEE COMPANY LIMITED
Citigroup Centre, 14th Floor
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency & Trust
Reference ID: 459975ML

Dear Sirs

Currency Swap B1b Agreement
Paragon Mortgages (No.10) PLC

The purpose of this letter is to confirm the terms and conditions of the swap transactions entered into between us on the Trade Date specified below (the "**Swap Transactions**"). This letter constitutes a "Confirmation" as referred to in the 1992 ISDA Master Agreement (Multicurrency-Cross Border) entered into between us and both of you in connection with the Class A1 Notes (the "**Relevant Notes**") on the date of this Confirmation as amended and supplemented from time to time (the "**Agreement**").

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The terms of the particular Swap Transactions to which this Confirmation relates are as follows:

Party A: HSBC Bank plc

Party B: Paragon Mortgages (No.10) PLC.

Trade Date: 10 November 2005

Effective Date: 17 November 2005

Termination Date: The earlier of (a) the Interest Payment Date falling in June 2041; and (b) the date on which the Relevant Notes are redeemed or repaid in full.

Interest Payment Date: Each Interest Payment Date in respect of the Relevant Notes

Business Day: London, New York and TARGET Settlement Day

EUR Amortisation Amount: In respect of an Interest Payment Date, the amount (in EUR) to be applied in repayment of the principal amount of the Relevant Notes on such Interest Payment Date as notified to the Calculation Agent by the Administrator at least two Business Days prior to the relevant Interest Payment Date.

Exchange Rate: GBP 1.00: EUR 1.4800

Party A Currency: EUR

Floating Payments

Floating Amounts for Party A:

Floating Rate Payer: Party A.

Party A Currency Amount: As at any Party A Payment Date, EUR 19,500,000.00 minus the aggregate of each Party A Interim Exchange Amount made prior to such date as determined by the Administrator

Party A Payment Dates: Each Interest Payment Date in respect of the Relevant Notes

Floating Rate Option:	EUR-EURIBOR-Telerate
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010:	0.2700% per annum.
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date on 15 December 2010, up to and including the Calculation Period ending on but excluding the Termination Date:	0.5400% per annum.
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period.
Floating Amounts for Party B:	
Floating Rate Payer:	Party B.
Party B Currency Amount:	As at any Party B Payment Date, GBP 13,175,675.68 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.
Party B Payment Dates:	Each Interest Payment Date in respect of the Relevant Notes.
Floating Rate Option:	GBP-LIBOR-BBA.
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010:

██████████ per annum.

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in on 15 December 2010 up to and including the Calculation Period ending on but excluding the Termination Date:

██████████ per annum.

Party B Floating Rate Day Count Fraction:

Actual/365 (Fixed)

Reset Dates:

The first day of each Calculation Period.

Calculation Agent:

Party A.

Initial Exchange

Initial Exchange Date:

Effective Date.

Party A Initial Exchange Amount:

GBP 13,175,675.68

Party B Initial Exchange Amount:

EUR 19,500,000.00

Interim Exchange

Interim Exchange Date:

Each Interest Payment Date on which the EUR Amortisation Amount is to be applied in or towards repayment of the principal amount of the Relevant Notes (as advised to Party A by the Administrator).

Party A Interim Exchange Amount:

The EUR Amortisation Amount.

Party B Interim Exchange Amount:

In respect of any Interim Exchange Date, an amount in GBP equal to the Party A Interim Exchange Amount converted in GBP at the Exchange Rate.

Final Exchange

Final Exchange Date:

Termination Date.

Party A Final Exchange Amount:

A EUR amount equal to the Party B Final Exchange Amount converted into EUR at the

Exchange Rate.

Party B Final Exchange Amount: The Party B Currency Amount.

Account Details

Payments to Party A:

Account for Payments in EUR: HSBC Bank PLC, London
SWIFT: MIDLGB22
Account No.: 87511552

Account for Payments in GBP: HSBC Bank PLC, London
CHAPS Sort Code 40-53-71
SWIFT: MIDLGB22
Account No.: 35575058

Payments to Party B:

Account for Payments in EUR To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: PM10

Account for Payments in GBP Royal Bank of Scotland plc
CBO London
Sort Code: 16-04-00
Account number: 98191021
Reference: Loans Administration
Paragon Second Funding


Offices: The Office of Party A for each of the Transactions evidenced by this Confirmation is London.

Yours faithfully,

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:
by:

By: 

Authorised signatory

Name

Neale Firth


Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.10) PLC

17 November 2005

By:



~~SD~~ Director As Attorney

Name Stephen Bowrott

Signed for and on behalf of:

Citicorp Trustee Company Limited

17 November 2005

on:

acting by:

By:

Director

Name

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:


Paragon Mortgages (No.10) PLC
17 November 2005

By: _____
Director
Name

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By:  _____
Director Name Lidster
Name Director

CONFIRMATION

Dated 17 November 2005

From: HSBC BANK PLC

8 Canada Square
London E14 5HQ

To: PARAGON MORTGAGES (NO.10) PLC

St. Catherine's Court
Herbert Road
Solihull
West Midlands B91 3QE

Attention: The Company Secretary

CITICORP TRUSTEE COMPANY LIMITED

Citigroup Centre, 14th Floor
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency & Trust
Reference ID: 459977ML

Dear Sirs

**Currency Swap C1b Agreement
Paragon Mortgages (No.10) PLC**

The purpose of this letter is to confirm the terms and conditions of the swap transactions entered into between us on the Trade Date specified below (the "**Swap Transactions**"). This letter constitutes a "Confirmation" as referred to in the 1992 ISDA Master Agreement (Multicurrency-Cross Border) entered into between us and both of you in connection with the Class A1 Notes (the "**Relevant Notes**") on the date of this Confirmation as amended and supplemented from time to time (the "**Agreement**").

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The terms of the particular Swap Transactions to which this Confirmation relates are as follows:

Party A:	HSBC Bank plc
Party B:	Paragon Mortgages (No.10) PLC.
Trade Date:	10 November 2005
Effective Date:	17 November 2005
Termination Date:	The earlier of (a) the Interest Payment Date falling in June 2041; and (b) the date on which the Relevant Notes are redeemed or repaid in full.
Interest Payment Date:	Each Interest Payment Date in respect of the Relevant Notes
Business Day:	London, New York and TARGET Settlement Day
EUR Amortisation Amount:	In respect of an Interest Payment Date, the amount (in EUR) to be applied in repayment of the principal amount of the Relevant Notes on such Interest Payment Date as notified to the Calculation Agent by the Administrator at least two Business Days prior to the relevant Interest Payment Date.
Exchange Rate:	GBP 1.00: EUR 1.4800
Party A Currency:	EUR
<i>Floating Payments</i>	
Floating Amounts for Party A:	
Floating Rate Payer:	Party A.
Party A Currency Amount:	As at any Party A Payment Date, EUR 27,500,000.00 minus the aggregate of each Party A Interim Exchange Amount made prior to such date as determined by the Administrator
Party A Payment Dates:	Each Interest Payment Date in respect of the Relevant Notes

Floating Rate Option:	EUR-EURIBOR-Telerate
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010:	0.5500% per annum.
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date on 15 December 2010, up to and including the Calculation Period ending on but excluding the Termination Date:	1.1000% per annum.
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period.
Floating Amounts for Party B:	
Floating Rate Payer:	Party B.
Party B Currency Amount:	As at any Party B Payment Date, GBP 18,581,081.08 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.
Party B Payment Dates:	Each Interest Payment Date in respect of the Relevant Notes.
Floating Rate Option:	GBP-LIBOR-BBA.
Designated Maturity:	three months; except for the initial Calculation Period in respect of which linear interpolation shall be applicable. Linear interpolation shall be applied by reference to the three month and four month dates.

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date on 15 December 2010:

██████████ per annum.

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in on 15 December 2010 up to and including the Calculation Period ending on but excluding the Termination Date:

██████████ per annum.

Party B Floating Rate Day Count Fraction:

Actual/365 (Fixed)

Reset Dates:

The first day of each Calculation Period.

Calculation Agent:

Party A.

Initial Exchange

Initial Exchange Date:

Effective Date.

Party A Initial Exchange Amount:

GBP 18,581,081.08

Party B Initial Exchange Amount:

EUR 27,500,000.00

Interim Exchange

Interim Exchange Date:

Each Interest Payment Date on which the EUR Amortisation Amount is to be applied in or towards repayment of the principal amount of the Relevant Notes (as advised to Party A by the Administrator).

Party A Interim Exchange Amount:

The EUR Amortisation Amount.

Party B Interim Exchange Amount:

In respect of any Interim Exchange Date, an amount in GBP equal to the Party A Interim Exchange Amount converted in GBP at the Exchange Rate.

Final Exchange

Final Exchange Date:

Termination Date.

Party A Final Exchange Amount:

A EUR amount equal to the Party B Final Exchange Amount converted into EUR at the

Exchange Rate.

Party B Final Exchange Amount:

The Party B Currency Amount.

Account Details

Payments to Party A:

Account for Payments in EUR:

HSBC Bank PLC, London
SWIFT: MIDLGB22
Account No.: 87511552

Account for Payments in GBP:

HSBC Bank PLC, London
CHAPS Sort Code 40-53-71
SWIFT: MIDLGB22
Account No.: 35575058

Payments to Party B:

Account for Payments in EUR

To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: PM10

Account for Payments in GBP

Royal Bank of Scotland plc
CBO London
Sort Code: 16-04-00
Account number: 98191021
Reference: Loans Administration
Paragon Second Funding

Offices:

The Office of Party A for each of the Transactions evidenced by this Confirmation is London.

Yours faithfully,

Signed for and on behalf of:

HSBC Bank plc
17 November 2005

on:

By: 

by:

Authorised signatory

Name

Neale Firth

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.10) PLC
17 November 2005

By:



~~SD~~ Director As Attorney

Name

Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:

acting by:

By:

Director

Name

Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

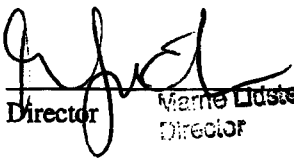
Paragon Mortgages (No.10) PLC
17 November 2005

By: _____
Director
Name

Signed for and on behalf of:

Citicorp Trustee Company Limited
17 November 2005

on:
acting by:

By:  _____
Director Marie Lidster
Name Director