

PM11

A1

EXECUTION COPY

CONFIRMATION

Dated 16 March 2006

From: **BARCLAYS BANK PLC**
5, The North Colonnade
Canary Wharf
London E14 4BB

Trade ID: 1113887B

To: **PARAGON MORTGAGES (NO.11) 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

Dear Sirs

**Currency Swap A1 Agreement
Paragon Mortgages (No.11) 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: Barclays Bank plc

Party B: Paragon Mortgages (No.11) PLC.

Trade Date: 8 March 2006

Effective Date: 23 March 2006

Termination Date: The earlier of (a) the Interest Payment Date falling in October 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 April 2006 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 1.73635

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 985,000,000.00 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 April 2006 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 two week and one month rates.

Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in January 2007: -0.01% per annum.

Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in January 2007, 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 567,281,942.00 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.

Party B Payment Dates: 15 January, 15 April, 15 July and 15 October of each year, adjusted in accordance with the Following Business Day Convention, commencing on 15 July 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

rates.

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in January 2007:

[REDACTED] per annum.

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in January 2007 up to and including the Calculation Period ending on but excluding the Termination Date:

[REDACTED]

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 567,281,942.00

Party B Initial Exchange Amount:

USD 985,000,000.00

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:

Federal Reserve Bank of New York, New York
ABA No. 026-0025-74
Account: Barclays Bank PLC, New York
Fav.: Barclays Swaps & Options Group, New York
Account No.: 050-01922-8

Account for Payments in GBP:

Barclays Bank PLC, 54 Lombard Street, London
CHAPS Sort Code 20-00-00
SWIFT: BARCGB22
Account: Barclays Swaps
Account No.: 152021

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: XS0246900756 / Paragon Mortgages (No.11) PLC

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:

Barclays Bank plc
..... March 2006

on:
by:

By: _____

Name

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

Signed for and on behalf of:

Paragon Mortgages (No.11) PLC

1.7. March 2006

By:



Name Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited

..... March 2006

on:

acting by:

By:

Name

PMU

A2b

EXECUTION COPY

CONFIRMATION

Dated 16 March 2006

From: BARCLAYS BANK PLC

5, The North Colonnade

Canary Wharf

London E14 4BB

Trade ID: 1113890B

To: PARAGON MORTGAGES (NO.11) 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

Dear Sirs

Currency Swap A2b Agreement

Paragon Mortgages (No.11) 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 A2b 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: Barclays Bank plc

Party B: Paragon Mortgages (No.11) PLC.

Trade Date: 8 March 2006

Effective Date: 23 March 2006

Termination Date: The earlier of (a) the Interest Payment Date falling in October 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 1.45771

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 219,700,000.00 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

| | |
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| | by reference to the three month and four month rates. |
| Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011: | 0.12% per annum. |
| Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011, up to and including the Calculation Period ending on but excluding the Termination Date: | 0.24% 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 150,715,848.83 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 rates. |
| Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011: | ██████████ per annum. |
| Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011 up to and including the | ██████████ per annum |

Calculation Period ending on but excluding the Termination Date:

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 150,715,848.83

Party B Initial Exchange Amount: EUR 219,700,000.00

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: Barclays Bank PLC, London
SWIFT: BARCGB22
Account: Barclays Bank PLC, London
Account No.: 78659111

Account for Payments in GBP: Barclays Bank PLC, 54 Lombard Street, London
CHAPS Sort Code 20-00-00

SWIFT: BARCGB22
Account: Barclays Swaps
Account No.: 152021

Payments to Party B:

Account for Payments in EUR

To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: XS0246902885 / Paragon Mortgages (No.11) PLC

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:

Barclays Bank plc
..... March 2006

on:
by:

By: _____

Name

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

Signed for and on behalf of:

Paragon Mortgages (No.11) PLC
(7) March 2006

By: _____



Name Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited
..... March 2006

on:
acting by:

By: _____

Name

PM11
B1b

EXECUTION COPY

CONFIRMATION

Dated 16 March 2006

From: **BARCLAYS BANK PLC**

5, The North Colonnade
Canary Wharf
London E14 4BB

Trade ID: 1113892B

To: **PARAGON MORTGAGES (NO.11) 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

Dear Sirs

**Currency Swap B1b Agreement
Paragon Mortgages (No.11) 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 B1b 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).

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

| | |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Party A: | Barclays Bank plc |
| Party B: | Paragon Mortgages (No.11) PLC. |
| Trade Date: | 8 March 2006 |
| Effective Date: | 23 March 2006 |
| Termination Date: | The earlier of (a) the Interest Payment Date falling in October 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 1.45771 |
| 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 82,400,000.00 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 |

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| <p>Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011:</p> | <p>by reference to the three month and four month rates.</p> |
| <p>Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011, up to and including the Calculation Period ending on but excluding the Termination Date:</p> | <p>0.24% per annum.</p> |
| <p>Party A Floating Rate Day Count Fraction:</p> | <p>0.48% per annum</p> |
| <p>Reset Dates:</p> | <p>Actual/360</p> |
| <p>Floating Amounts for Party B:</p> | <p>The first day of each Calculation Period.</p> |
| <p>Floating Rate Payer:</p> | <p>Party B.</p> |
| <p>Party B Currency Amount:</p> | <p>As at any Party B Payment Date, GBP 56,527,018.41 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.</p> |
| <p>Party B Payment Dates:</p> | <p>Each Interest Payment Date in respect of the Relevant Notes.</p> |
| <p>Floating Rate Option:</p> | <p>GBP-LIBOR-BBA.</p> |
| <p>Designated Maturity:</p> | <p>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 rates.</p> |
| <p>Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011:</p> | <p>██████████ per annum.</p> |
| <p>Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011 up to and including the Calculation Period ending on but</p> | <p>██████████ per annum</p> |

excluding the Termination Date:

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 56,527,018.41

Party B Initial Exchange Amount: EUR 82,400,000.00

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: Barclays Bank PLC, London
SWIFT: BARCGB22
Account: Barclays Bank PLC, London
Account No.: 78659111

Account for Payments in GBP: Barclays Bank PLC, 54 Lombard Street, London
CHAPS Sort Code 20-00-00
SWIFT: BARCGB22

Account: Barclays Swaps
Account No.: 152021

Payments to Party B:

Account for Payments in EUR

To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: XS0246905391 / Paragon Mortgages (No.11) PLC

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:

Barclays Bank plc
..... March 2006

on:
by:

By: _____

Name

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

Signed for and on behalf of:

Paragon Mortgages (No.11) PLC
..... March 2006

By:  _____

Name Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited
..... March 2006

on:
acting by:

By: _____

Name

PMU

PMU

C1b

C1b

EXECUTION COPY

CONFIRMATION

Dated 16 March 2006

From: BARCLAYS BANK PLC

5, The North Colonnade
Canary Wharf
London E14 4BB

Trade ID: 1113899B

To: PARAGON MORTGAGES (NO.11) 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

Dear Sirs

**Currency Swap C1b Agreement
Paragon Mortgages (No.11) 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 C1b 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: | Barclays Bank plc |
| Party B: | Paragon Mortgages (No.11) PLC. |
| Trade Date: | 8 March 2006 |
| Effective Date: | 23 March 2006 |
| Termination Date: | The earlier of (a) the Interest Payment Date falling in October 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 1.45771 |
| 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 87,500,000.00 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-Telorate |
| 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 rates. |
| Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011: | 0.45% per annum. |
| Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011, up to and including the Calculation Period ending on but excluding the Termination Date: | 0.90% 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 60,025,656.68 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 rates. |
| Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in April 2011: | ██████████ per annum. |
| Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in April 2011 up to and including the Calculation Period ending on but | ██████████ per annum |

excluding the Termination Date:

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 60,025,656.68

Party B Initial Exchange Amount:

EUR 87,500,000.00

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:

Barclays Bank PLC, London
SWIFT: BARCGB22
Account, Barclays Bank PLC, London
Account No.: 78659111

Account for Payments in GBP:

Barclays Bank PLC, 54 Lombard Street, London
CHAPS Sort Code 20-00-00
SWIFT: BARCGB22

Account: Barclays Swaps
Account No.: 152021

Payments to Party B:

Account for Payments in EUR

To: Citibank N.A., London - CITIGB2L
SWIFT: CITIGB2L
A/C: 8378339
Ref: XS0246905805 / Paragon Mortgages (No.11) PLC

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:

Barclays Bank plc
..... March 2006

on:
by:

By: _____

Name

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

Signed for and on behalf of:

Paragon Mortgages (No.11) PLC
13. March 2006

By:



Name Stephen Bowcott

Signed for and on behalf of:

Citicorp Trustee Company Limited
..... March 2006

on:
acting by:

By: _____

Name