

CITICORP TRUSTEE COMPANY LIMITED
as the Trustee

PARAGON FINANCE PLC
as an Administrator

and

PARAGON MORTGAGES (NO.11) PLC
as the Issuer

THIRTY THIRD SUPPLEMENTAL VAT
DEED OF DECLARATION OF TRUST

relating to
a residential mortgage securitisation
involving Paragon Mortgages (No.11) PLC

CONTENTS

Clause	Page
1. Definitions.....	4
2. Confirmations by the Trustee.....	4
3. Future beneficiary.....	4
4. Appointment of attorney.....	4
5. One agreement.....	4
6. Counterparts.....	4
7. Deed.....	5
8. Governing law.....	5

THIS THIRTY THIRD SUPPLEMENTAL VAT DEED OF DECLARATION OF TRUST is made on 23 March 2006

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) **PARAGON MORTGAGES (NO.11) 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) a Supplemental Deed of Declaration of Trust made on 6 October, 1994,
 - (b) a Second Supplemental Deed of Declaration of Trust made on 26 January, 1995,

Thirty Third Supplemental VAT
Deed of Declaration of Trust

- (c) a Third Supplemental Deed of Declaration of Trust made on 18 December, 1995,
- (d) a Fourth Supplemental Deed of Declaration of Trust made on 26 January, 1996,
- (e) a Fifth Supplemental Deed of Declaration of Trust made on 28 June, 1996,
- (f) a Sixth Supplemental Deed of Declaration of Trust made on 28 October, 1996,
- (g) a Seventh Supplemental Deed of Declaration of Trust made on 29 November, 1996,
- (h) an Eighth Supplemental Deed of Declaration of Trust made on 3 April, 1997,
- (i) a Ninth Supplemental Deed of Declaration of Trust made on 30 June, 1997,
- (j) a Tenth Supplemental Deed of Declaration of Trust made on 27 January, 1998,
- (k) an Eleventh Supplemental Deed of Declaration of Trust made on 17 March, 1998,
- (l) a Twelfth Supplemental Deed of Declaration of Trust made on 17 March, 1998,
- (m) a Thirteenth Supplemental Deed of Declaration of Trust made on 16 June, 1998,
- (n) a Fourteenth Supplemental Deed of Declaration of Trust made on 30 September, 1998,
- (o) a Fifteenth Supplemental Deed of Declaration of Trust made on 12 October, 1998,
- (p) a Sixteenth Supplemental Deed of Declaration of Trust made on 11 June, 1999,
- (q) a Seventeenth Supplemental Deed of Declaration of Trust made on 29 February, 2000,
- (r) an Eighteenth Supplemental Deed of Declaration of Trust made on 16 October, 2000,
- (s) a Nineteenth Supplemental Deed of Declaration of Trust made on 8 November, 2001,
- (t) a Twentieth Supplemental Deed of Declaration of Trust made on 12 December, 2001,

Thirty Third Supplemental VAT
Deed of Declaration of Trust

- (u) a Twenty First Supplemental VAT Deed of Declaration of Trust made on 27 March, 2002,
- (v) a Twenty Second Supplemental VAT Deed of Declaration of Trust made on 29 May, 2002,
- (w) a Twenty Third Supplemental Deed of Declaration of Trust made on 30 April, 2003,
- (x) a Twenty Fourth Supplemental Deed of Declaration of Trust made on 26 June, 2003,
- (y) a Twenty Fifth Supplemental Deed of Declaration of Trust made on 14 October, 2003,
- (z) a Twenty Sixth Supplemental Deed of Declaration of Trust made on 29 January, 2004,
- (aa) a Twenty Seventh Supplemental Deed of Declaration of Trust made on 26 May, 2004;
- (bb) a Twenty Eighth Supplemental Deed of Declaration of Trust made on 27 October, 2004;
- (cc) a Twenty Ninth Supplemental Deed of Declaration of Trust made on 14 December 2004;
- (dd) a Thirtieth Supplemental Deed of Declaration of Trust made on 19 May 2005;
- (ee) a Thirty First Supplemental Deed of Declaration of Trust made on 19 July 2005; and
- (ff) a Thirty Second Supplemental Deed of Declaration of Trust made on 17 November 2005,

(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 27 January 2006 that the New Future Beneficiary joined the PFPLC VAT Group.
- (C) The New Future Beneficiary, pursuant to PFPLC filing the appropriate forms with H.M. Revenue & Customs, became a member of the Paragon VAT Group on 1 August 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 THIRTY THIRD 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:
Signed for and on its behalf by one of its directors and by another of its directors/its secretary

Citicorp Trustee Company Limited

By: **MARNE LIDSTER**
Name: Marne Lidster
Title: Director

By: **DAVID MARES**
Name: David Mares
Title: Director

Executed by:
as its deed as follows:
Signed for and on its behalf by one of its duly authorised attorneys

Paragon Finance PLC

By: **JOHN ALEXANDER HARVEY**
Name: John Alexander Harvey
Title: Attorney

Signature: **MARTIN CORRIGAN**

Name: Martin Corrigan
Occupation: Trainee Solicitor
Address: Clifford Chance LLP
10 Upper Bank Street, London

Executed by:
as its deed as follows:
Signed for and on its behalf by one of its duly authorised attorneys

Paragon Mortgages (No.11) PLC

By: **JOHN ALEXANDER HARVEY**
Name: John Alexander Harvey
Title: Attorney

Signature: **MARTIN CORRIGAN**

Name: Martin Corrigan
Occupation: Trainee Solicitor
Address: Clifford Chance LLP
10 Upper Bank Street, London