

PM 13



EXECUTION COPY

**CONFIRMATION**

Dated 24 October 2006

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

Trade ID: 506464ML

To: **PARAGON MORTGAGES (NO.13) PLC**  
St. Catherine's Court  
Herbert Road  
Solihull  
West Midlands B91 3QE

Attention: The Company Secretary

**CITICORP TRUSTEE COMPANY LIMITED**  
Citigroup Centre, 14<sup>th</sup> Floor  
Canada Square  
Canary Wharf  
London E14 5LB

Attention: Agency & Trust

Dear Sirs

**Currency Swap A1 Agreement**  
**Paragon Mortgages (No.13) 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.



For the avoidance of doubt, the amount of any payment obligations in respect of the Swap Transactions will be determined subject to the provisions of Part 5(l) of the schedule to the Agreement.

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.13) PLC.
Trade Date:	20 October 2006
Effective Date:	26 October 2006
Termination Date:	The earlier of (a) the Interest Payment Date falling in January 2039; (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) ( <i>A1 Note Mandatory Transfer Arrangements</i> )
Interest Payment Date:	Fifteenth day of each month, commencing on 15 November 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 1.88
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 1,500,000,000.00 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 November 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 July 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 July 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
<b>Floating Amounts for Party B:</b>	
Floating Rate Payer:	Party B
Party B Currency Amount:	As at any Party B Payment Date, GBP

	797,872,340.43 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 in January 2007
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 two month and three month rates
Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in July 2007:	
Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in July 2007 up to and including the 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
<b><i>Initial Exchange</i></b>	
Initial Exchange Date:	Effective Date
Party A Initial Exchange Amount:	GBP 797,872,340.43
Party B Initial Exchange Amount:	USD 1,500,000,000.00
<b><i>Interim Exchange</i></b>	
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 (ABA 021 001 088)  
SWIFT: MRMDUS33  
Account No: 000023868  
FFC: HSBC Bank Plc London  
MIDLGB22

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: XS0272533936/Paragon Mortgages (No.13) 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

National Westminster Bank plc  
Sort Code: 50-55-10  
Account Number: 56215835  
Favour: Paragon Second Funding Limited  
Transaction account

National Westminster Bank Plc  
Sort Code 50-55-10  
Account Number: 58588019  
Favour: Paragon Mortgages (no 13) Plc  
Transaction Account

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**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

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

**Signed for and on behalf of:**

**Paragon Mortgages (No.13) PLC**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

**Signed for and on behalf of:**

**Citicorp Trustee Company Limited**

on ... .. October 2006

By: \_\_\_\_\_

*Name*



**CONFIRMATION**

Dated 24 October 2006

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

Trade ID: 506466ML

To: **PARAGON MORTGAGES (NO.13) PLC**  
St. Catherine's Court  
Herbert Road  
Solihull  
West Midlands B91 3QE

Attention: The Company Secretary

**CITICORP TRUSTEE COMPANY LIMITED**  
Citigroup Centre, 14<sup>th</sup> Floor  
Canada Square  
Canary Wharf  
London E14 5LB

Attention: Agency & Trust

Dear Sirs

**Currency Swap A2b Agreement  
Paragon Mortgages (No.13) 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.

For the avoidance of doubt, the amount of any payment obligations in respect of the Swap Transactions will be determined subject to the provisions of Part 5(l) of the schedule to the Agreement.

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.13) PLC
Trade Date:	20 October 2006
Effective Date:	26 October 2006
Termination Date:	The earlier of (a) the Interest Payment Date falling in January 2039; 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 1.49
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 315,000,000.00 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 two month and three month rates
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 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 October 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
<b>Floating Amounts for Party B:</b>	
Floating Rate Payer:	Party B
Party B Currency Amount:	As at any Party B Payment Date, GBP 211,409,395.97 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 two month and three

	month rates
Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011:	██████████ per annum
Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011 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
<i>Initial Exchange</i>	
Initial Exchange Date:	Effective Date
Party A Initial Exchange Amount:	GBP 211,409,395.97
Party B Initial Exchange Amount:	EUR 315,000,000.00
<i>Interim Exchange</i>	
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
<i>Final Exchange</i>	
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: XS0272534586/Paragon Mortgages (No.13) 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

National Westminster Bank plc  
Sort Code: 50-55-10  
Account Number: 56215835  
Favour: Paragon Second Funding Limited  
Transaction account

National Westminster Bank Plc  
Sort Code 50-55-10  
Account Number: 58588019  
Favour: Paragon Mortgages (no 13) Plc  
Transaction Account

**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**

on ... .. October 2006

*By:* \_\_\_\_\_

*Name*

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

**Signed for and on behalf of:**                      **Paragon Mortgages (No.13) PLC**

on ... .. October 2006

*By:* \_\_\_\_\_

*Name*

**Signed for and on behalf of:**                      **Citicorp Trustee Company Limited**

on ... .. October 2006

*By:* \_\_\_\_\_

*Name*

A2C

EXECUTION COPY

PLM/S  
A2C

**CONFIRMATION**

Dated 24 October 2006

From: **HSBC BANK PLC**

8 Canada Square  
Canary Wharf  
London E14 5HQ

Trade ID: 506465ML

To: **PARAGON MORTGAGES (NO.13) PLC**

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

Attention: The Company Secretary

**CITICORP TRUSTEE COMPANY LIMITED**

Citigroup Centre, 14<sup>th</sup> Floor  
Canada Square  
Canary Wharf  
London E14 5LB

Attention: Agency & Trust

Dear Sirs

**Currency Swap A2c Agreement  
Paragon Mortgages (No.13) 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 A2c 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.

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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.13) PLC
Trade Date:	20 October 2006
Effective Date:	26 October 2006
Termination Date:	The earlier of (a) the Interest Payment Date falling in January 2039; 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
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 1.88
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 350,000,000.00 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:	USD-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 two month and three month rates
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011:	0.09% per annum
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011, up to and including the Calculation Period ending on but excluding the Termination Date:	0.18% per annum
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
<b>Floating Amounts for Party B:</b>	
Floating Rate Payer:	Party B
Party B Currency Amount:	As at any Party B Payment Date, GBP 186,170,212.77 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 two month and three month rates



Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011: [REDACTED] per annum

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011 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 186,170,212.77

Party B Initial Exchange Amount: USD 350,000,000.00

***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 (ABA 021 001 088)  
SWIFT: MRMDUS33  
Account No: 000023868  
FFC: HSBC Bank Plc London  
MIDLGB22

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 To: Citibank N.A., New York  
SWIFT: CITIUS33  
For: Citibank N.A., London  
SWIFT: CITIGB2L  
Account No.: 10990765  
Ref: XS0272535393/Paragon Mortgages (No.13) 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

National Westminster Bank plc  
Sort Code: 50-55-10  
Account Number: 56215835  
Favour: Paragon Second Funding Limited  
Transaction account

National Westminster Bank Plc  
Sort Code 50-55-10  
Account Number: 58588019  
Favour: Paragon Mortgages (no 13) Plc  
Transaction Account

**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**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

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

**Signed for and on behalf of:**                      **Paragon Mortgages (No.13) PLC**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

**Signed for and on behalf of:**                      **Citicorp Trustee Company Limited**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

PM13  
B1b  
**CONFIRMATION**

Dated 24 October 2006

From: **HSBC BANK PLC**

8 Canada Square  
London  
E14 5HQ

Trade ID: 506467ML

To: **PARAGON MORTGAGES (NO.13) PLC**

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

Attention: The Company Secretary

**CITICORP TRUSTEE COMPANY LIMITED**

Citigroup Centre, 14<sup>th</sup> Floor  
Canada Square  
Canary Wharf  
London E14 5LB

Attention: Agency & Trust

Dear Sirs

**Currency Swap B1b Agreement  
Paragon Mortgages (No.13) PLC**

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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.

For the avoidance of doubt, the amount of any payment obligations in respect of the Swap Transactions will be determined subject to the provisions of Part 5(l) of the schedule to the Agreement.

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.13) PLC
Trade Date:	20 October 2006
Effective Date:	26 October 2006
Termination Date:	The earlier of (a) the Interest Payment Date falling in January 2039; 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 1.49
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 84,000,000.00 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 two month and three month rates
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011:	0.19% per annum
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011, up to and including the Calculation Period ending on but excluding the Termination Date:	0.38% per annum
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
<b>Floating Amounts for Party B:</b>	
Floating Rate Payer:	Party B
Party B Currency Amount:	As at any Party B Payment Date, GBP 56,375,838.93 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 two month and three month rates

Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011: [REDACTED] per annum

Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011 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 56,375,838.93

Party B Initial Exchange Amount: EUR 84,000,000.00

***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: XS0272536011/Paragon Mortgages (No.13) 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

National Westminster Bank plc  
Sort Code: 50-55-10  
Account Number: 56215835  
Favour: Paragon Second Funding Limited  
Transaction account

National Westminster Bank Plc  
Sort Code 50-55-10  
Account Number: 58588019  
Favour: Paragon Mortgages (no 13) Plc  
Transaction Account



**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**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

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

**Signed for and on behalf of:** **Paragon Mortgages (No.13) PLC**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

**Signed for and on behalf of:** **Citicorp Trustee Company Limited**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

10/13

EXECUTION COPY

**CONFIRMATION**

Dated 24 October 2006

From: **HSBC BANK PLC**

8 Canada Square  
London  
E14 5HQ

Trade ID: 506468ML

To: **PARAGON MORTGAGES (NO.13) PLC**

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

Attention: The Company Secretary

**CITICORP TRUSTEE COMPANY LIMITED**

Citigroup Centre, 14<sup>th</sup> Floor  
Canada Square  
Canary Wharf  
London E14 5LB

Attention: Agency & Trust

Dear Sirs

**Currency Swap Cib Agreement  
Paragon Mortgages (No.13) 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 Cib 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.

For the avoidance of doubt, the amount of any payment obligations in respect of the Swap Transactions will be determined subject to the provisions of Part 5(l) of the schedule to the Agreement.

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.13) PLC
Trade Date:	20 October 2006
Effective Date:	26 October 2006
Termination Date:	The earlier of (a) the Interest Payment Date falling in January 2039; 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 1.49
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 81,000,000.00 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 two month and three month rates
Spread A for each Calculation Period up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011:	0.39% per annum
Spread A for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011, up to and including the Calculation Period ending on but excluding the Termination Date:	0.78% per annum
Party A Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
<b>Floating Amounts for Party B:</b>	
Floating Rate Payer:	Party B
Party B Currency Amount:	As at any Party B Payment Date, GBP 54,362,416.11 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 two month and three

	month rates
Spread B for the Calculation Periods up to and including the Calculation Period ending on but excluding the Interest Payment Date in October 2011:	██████████ per annum
Spread B for the Calculation Periods from and including the Calculation Period beginning on (and including) the Interest Payment Date in October 2011 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
<i>Initial Exchange</i>	
Initial Exchange Date:	Effective Date
Party A Initial Exchange Amount:	GBP 54,362,416.11
Party B Initial Exchange Amount:	EUR 81,000,000.00
<i>Interim Exchange</i>	
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
<i>Final Exchange</i>	
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: XS0272536524/Paragon Mortgages (No.13) PLC

Account for Payments in GBP Royal Bank of Scotland plc  
CBO London  
Sort Code: 16-04-00  
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Transaction account

National Westminster Bank Plc  
Sort Code 50-55-10  
Account Number: 58588019  
Favour: Paragon Mortgages (no 13) Plc  
Transaction Account

**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**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

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

**Signed for and on behalf of:** **Paragon Mortgages (No.13) PLC**

on ... .. October 2006

By: \_\_\_\_\_

*Name*

**Signed for and on behalf of:** **Citicorp Trustee Company Limited**

on ... .. October 2006

By: \_\_\_\_\_

*Name*