

CONFIRMATION

From: **LLOYDS BANK PLC**
10 Gresham Street
London EC2V 7AE

Attention: WMTT-IRPConfirmations
Fax: +44 (0) 20 7158 3122
Email: WMTT-IRPConfirmations@Lloydsbanking.com

Trade ID: 10379890LS

UTI: 1030466833SMTSWAP000000000000000010379890LS

To: **PARAGON MORTGAGES (NO.24) PLC**
51 Homer Road
Solihull
West Midlands B91 3QJ

Attention: Swaps Administration, Finance Department

CITICORP TRUSTEE COMPANY LIMITED
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency & Trust

Dear Sirs

Currency Swap A1 Agreement

Paragon Mortgages (No.24) plc

The purpose of this letter is to confirm the terms and conditions of the swap transaction entered into between us on the Trade Date specified below (the "**Swap Transaction**"). 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 2006 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 Transaction will be determined subject to the provisions of Part 5(1) (*Security, Enforcement and Limited Recourse*) of the schedule to the Agreement.

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

Party A:	Lloyds Bank plc
Party B:	Paragon Mortgages (No.24) plc.
Trade Date:	12 November 2015
Effective Date:	19 November 2015
Termination Date:	Either (i) If EUR 125,000,000 Relevant Notes are not issued by Party B on or prior to 19 November 2015 (the " Expected Closing Date "), the Expected Closing Date; or (ii) If EUR 125,000,000 Relevant Notes are issued by Party B on or prior to the Expected Closing Date, the earlier of (a) the Interest Payment Date falling in July 2043, or (b) the date on which the Relevant Notes are redeemed or repaid in full.
A1 Interest Payment Date:	15 July, 15 October, 15 January and 15 April of each year, adjusted in accordance with the Following Business Day Convention, commencing on 15 April 2016.
Business Day:	London 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 1.4147
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 125,000,000 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 Relevant Notes Interest Payment Date.
Floating Rate Option:	EUR-EURIBOR-Reuters
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 six month rates.
Spread A:	Up to (but excluding) the Step Up Date, 1.10 per cent. per annum and from (and including) the Step Up Date, 2.20 per cent. 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 88,357,955.75 minus the aggregate of each Party B Interim Exchange Amount made prior to such date.
Party B Payment Dates:	Each Relevant Notes Interest Payment Date.
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 six month rates.
Spread B:	Up to (but excluding) the Step Up Date, 1.7470 per cent. per annum and from (and including) the Step Up Date, 3.4940 per cent. 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 88,357,955.75

Party B Initial Exchange Amount: EUR 125,000,000

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 to 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: Lloyds Bank plc, Corporate Markets, London
SWIFT: LOYDGB2L
Account No.: GB63LOYD30963459011079

Account for Payments in GBP: Lloyds Bank plc, Corporate Markets, London
SWIFT: LOYDGB22TSY
Account No.: 00001933 CHAPS 30-15-57
IBAN: GB06LOYD30155700001933

Payments to Party B:

Account for Payments in EUR: Citibank N.A., London CITIGB2L
SWIFT: CITIGB2L
Account No.: 8378339
IBAN: GB57CITI18500808378339
Ref: ISIN XS1315577368/ Paragon Mortgages

(No.24) plc

Account for Payments in GBP

Citibank N.A., London
SWIFT: CITIGB2L
Account No.: 17855362
Sort Code: 18-50-08
IBAN: GB34CITI18500817855362
Favour: Paragon Mortgages (No.24) plc Transaction
Account

Party A Initial Exchange Amount
Payment

Lloyds Bank plc, Corporate Markets, London
SWIFT: LOYDGB22TSY
Sort Code: 30-15-57
Account Number: 00002727
Ref: Lloyds – P5FL Warehouse Repayments
IBAN: GB05LOYD30155700002727

Offices:

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

EXECUTION VERSION

Yours faithfully,

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On 16 November 2015

By:



Frances Bateson
Senior Manager
Authorised Signatory

Name

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On

By: _____

Name

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

Signed for and on behalf of:

Paragon Mortgages (No.24) plc
(LEI: 2138006AJEKY9DNW4A74)

On

By: _____

Name

Signed for and on behalf of:

Citicorp Trustee Company Limited

On

By: _____

Name

Yours faithfully,

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On

By: _____

Name

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On

By: _____

Name

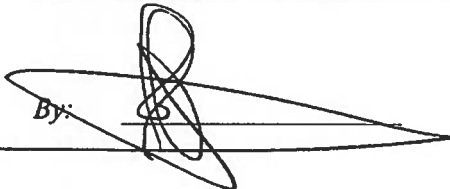
Confirmed as of the date indicated at the start of this Confirmation:

Signed for and on behalf of:

Paragon Mortgages (No.24) plc
(LEI: 2138006AJEKY9DNW4A74)

On 16 November 2015

By:



Name JOHN HARVEY

Signed for and on behalf of:

Citicorp Trustee Company Limited

On

By: _____

Name

Yours faithfully.

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On

By: _____

Name

Signed for and on behalf of:

Lloyds Bank plc
(LEI: H7FNTJ4851HG0EXQ1Z70)

On

By: _____

Name

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

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(LEI: 2138006AJEKY9DNW4A74)

On

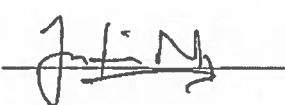
By: _____

Name

Signed for and on behalf of:

Citicorp Trustee Company Limited

On 16 November 2015

By: 

Name JUSTIN NG