

Company No. 4226663

The Companies Act 1985

Company limited by shares

Written resolutions

of

The Business Mortgage Company Limited (the "Company")

(passed on 25 January 2007)

WE, being all the members of the Company who for the purpose of s381A of the Companies Act 1985 (the "Act") are entitled to receive notice of and to attend and vote at a general meeting of the Company and in accordance with schedule 15A of the Act having been supplied with a copy of the statutory declaration made pursuant to section 155 of the Act and the auditor's report annexed thereto and copies of all draft documents referred to in this resolution, HEREBY PASS THE FOLLOWING RESOLUTIONS IN WRITING, which would otherwise be passed as special resolutions of the Company, and hereby agree in accordance with section 381A of the Act that the said resolutions shall for all purposes be valid and effective as if passed as special resolutions at a general meeting of the Company duly convened and held:

Special Resolutions

1. **That** the giving of financial assistance by the Company pursuant to sections 151-158 of the Act, to Oval (2125) Limited, a company registered in England and Wales under company number 5964916, (the "**Purchaser**"), for the purpose of acquiring the entire issued share capital of the Company (the "**Acquisition**") and the terms and arrangements contemplated by the execution and delivery by the Company of the following documents in favour of The Paragon Group of Companies PLC and the performance by the Company of its obligations under those documents:
 - 1.1 a loan agreement to be entered into between The Paragon Group of Companies PLC (in various capacities) (1) and the Purchaser (2) and the Company (3) (the "**Purchaser's Senior Facility**") relating to the provision by The Paragon Group of Companies PLC to the Purchaser of a facility in the sum of up to £9,000,000 and containing a guarantee and indemnity under which the Purchaser and the Company would guarantee and indemnify The Paragon Group of Companies PLC in respect of each party's obligations to The Paragon Group of Companies PLC from time to time under the Finance Documents (as defined therein);

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- 1.2 a loan agreement to be entered into between The Paragon Group of Companies PLC (in various capacities) (1) and the Purchaser (2) and the Company (3) (the "**Purchaser's Mezzanine Facility**") relating to the provision by The Paragon Group of Companies PLC to the Purchaser of a mezzanine facility in the sum of £3,000,000 and containing a guarantee and indemnity under which the Purchaser and the Company would guarantee and indemnify The Paragon Group of Companies PLC in respect of each party's obligations to The Paragon Group of Companies PLC from time to time under the Mezzanine Finance Documents (as defined therein);
- 1.3 a loan note instrument to be issued by the Purchaser to The Paragon Group of Companies PLC (the "**Purchaser's Investor Loan Notes**") relating to the issue of loan notes in the sum of £4,000,000;
- (the Purchaser's Senior Facility, Purchaser's Mezzanine Facility and the Purchaser's Investor Loan Notes are together referred to as the "**Purchaser's Facilities**");
- 1.4 a debenture (the "**Funder Debenture**") to be entered into by the Company and the Purchaser in favour of The Paragon Group of Companies PLC in its capacity as security trustee in respect Purchaser's Senior Facility and the Purchaser's Mezzanine Facility (the "**Senior Security Trustee**") constituting a fixed charge over the assets identified in it and a floating charge over the remainder of the Company's undertakings by way of security for the Company's obligations to The Paragon Group of Companies PLC from time to time in respect of the Secured Finance Documents (as defined therein);
- 1.5 a debenture (the "**Investor Debenture**") to be entered into by the Company and the Purchaser in favour of The Paragon Group of Companies PLC in its capacity as security trustee in respect Purchaser's Investor Loan Notes (the "**Investor Security Trustee**") constituting a fixed charge over the assets identified in it and a floating charge over the remainder of the Company's undertakings by way of security for the Company's obligations to The Paragon Group of Companies PLC from time to time in respect of the Purchaser's Investor Loan Notes;
- 1.6 a guarantee and indemnity (the "**Investor Guarantee**") to be entered into by the Company and the Purchaser in favour of the Investor Security Trustee under which the Purchaser and the Company would guarantee and indemnify the Investor Security Trustee in respect of each party's obligations to the Investor Security Trustee from time to time under the Purchaser's Investor Loan Notes
- 1.7 an inter-creditor agreement to be entered into between The Paragon Group of Companies PLC (in its capacity as senior and mezzanine lender) (1), The Paragon Group of Companies PLC (in its capacity as investor)(2), the Managers (3) the Purchaser (4), the Company (5) the Senior Security Trustee (6) and the Investor Trustee (7) relating, amongst other things, to the parties' agreement to the respective priority and subordination of the Purchaser's Facilities, debts and charges; (the "**Inter-creditor Agreement**");
- 1.8 an intra-group loan agreement to be entered into between the Purchaser (1), and the Company (2) relating to the provision by the Company of a loan facility to the Purchaser to enable the Purchaser to comply with its obligations under the Purchaser's

Facilities and an investment agreement between the Purchaser (1), The Paragon Group of Companies PLC (2) and Andrew Young and Paul Rockett (3) (the "**Investment Agreement**") and to enable it to discharge any liabilities incurred for the purpose of the Acquisition; (the "**Intra Group Loan Agreement**"):

- 1.9 a hive up memorandum to be entered into between the Company and the Purchaser under which the Company agreed to hive up its business and assets to the Purchaser within eight weeks of execution; the consideration for such hive up being left outstanding by way of an inter-company loan (the "**Hive-up Memorandum**")
- 1.10 letters from the Company addressed to Andrew Young and Paul Rockett whereby the Company agrees to make bonus payments of an aggregate amount not exceeding £181,764 to Andrew Young and Paul Rockett in connection with the Acquisition (the "**Bonus Payment Letters**").

(together the "**Financial Assistance Documents**", such Financial Assistance Documents are in the form of the drafts attached to this written resolution)

be and is approved.

2. **That** notwithstanding any provisions of the Company's Memorandum and Articles of Association or any personal interest of any of the Company's Directors, the Company's Directors and/or Secretary be and are hereby empowered, authorised and directed to execute and deliver the Financial Assistance Documents for and on behalf of the Company (in such manner and subject to such changes as they, in their absolute discretion, think fit).
3. **That**, notwithstanding that the execution, delivery and performance by the Company of the Financial Assistance Documents and the performance of its obligations thereunder might be held to constitute the giving by the Company of financial assistance within sections 151-158 of the Act, the giving of financial assistance by the Company in the form and on the terms set out in the statutory declaration (including the auditor's report attached thereto) attached to this written resolution be and is hereby approved (the provision of such financial assistance being in the best interests and for the benefit of the Company).

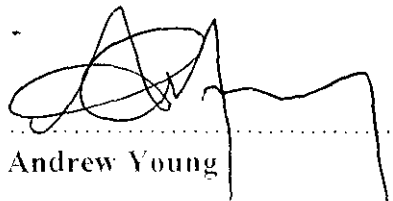
Signed by all the shareholders of the Company:

Signed:

.....
Paul Rockett

Date: 25 January 2007

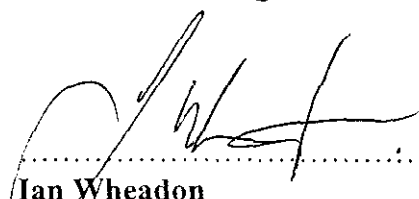
Signed:


.....
Andrew Young
Date: 25 January 2007

Signed:


.....
Will Wakely

Date: 25 January 2007


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Ian Wheadon
Date: 25 January 2007

A copy of this written resolution has been supplied to the auditors of the Company.