

THE COMPANIES ACT 2006

Public Company Limited by Shares

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**RESOLUTIONS**

of

**THE PARAGON GROUP OF COMPANIES PLC**

**(Passed on 12 February 2015)**

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AT AN ANNUAL GENERAL MEETING of the above named Company, duly convened, and held at the officer of Jefferies Hoare Govett at Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ on 12 February 2015 at 9.00am the following resolutions were passed:

**Ordinary Resolution**

- 15 'THAT the Board be and it is hereby generally and unconditionally authorised (in substitution for all subsisting authorities to the extent unused) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £102,200,000 PROVIDED THAT this authority shall expire at the earlier of the conclusion of the next Annual General Meeting of the Company after the passing of this resolution and the close of business on 11 May 2016 (unless previously revoked or varied by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted after such expiry and the Board may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.'

**Special Resolutions**

- 16 'THAT, subject to the passing of resolution 15, the Board be and it is hereby empowered pursuant to Section 571 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by resolution 15 and/or where allotment is treated as an allotment of equity securities under Section 560(3) as if sub-section (1) of Section 561 of the Act did not apply to any such allotment, PROVIDED THAT this power shall be limited to:
- (a) the allotment of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of ordinary shareholders and in favour of all holders of any other class of equity security in accordance with the rights attached to such class where the equity securities respectively attributable to the interests of all such persons on a fixed record date are proportionate (as nearly as may be) to the respective numbers of equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities (subject in either case to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with treasury shares, fractional entitlements, record dates or legal or practical problems arising in any overseas territory, the requirements of any regulatory body or any stock exchange in any territory or any other matter whatsoever); and

- (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £15,300,000,

and shall expire upon the earlier of the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, the close of business on 11 May 2016), save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.'

- 17 'THAT the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 ('the Act') to make one or more market purchases (within the meaning of Section 693(4) of the Act) on the London Stock Exchange PLC of ordinary shares of £1 each in the share capital of the Company ('Ordinary Shares') provided that:-
  - (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 30,600,000 (representing approximately 10 percent of the Company's issued ordinary share capital excluding treasury shares);
  - (b) the minimum price which may be paid for an Ordinary Share is 10p;
  - (c) the maximum price which may be paid for an Ordinary Share is an amount equal to 105 percent of the average of the middle market price shown in the quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased;
  - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the close of business on 11 May 2016; and
  - (e) the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.'
- 18 'THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.'
- 19 'THAT the Articles of Association of the Company shall be amended with effect from the conclusion of the Annual General Meeting by making the alterations marked on the print of the Articles of Association of the Company produced to the meeting and initialled by the Chairman for the purposes of identification.'

**'Shareholders' Resolution'**

- 20 'THAT Paragon Bank PLC be authorised to apply a ratio to the fixed and variable components of remuneration for those individuals who are classified as Remuneration Code Staff (as defined in the Remuneration Code published by the Prudential Regulation Authority) and are employed by Paragon Bank PLC such that the variable component of total remuneration for each such individual shall not exceed 200 percent of the fixed component of total remuneration for that individual.'



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**Pandora Sharp**  
**Company Secretary**