

PRESS RELEASE

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PARAGON EXTENDS RANGE WITH NEW NOTICE ACCOUNT

- Market-leading 1.90% AER*, 120 Day Notice Account for balances from £500 to £100,000
- Latest addition to Paragon Bank's savings range
- Traditional product not currently offered by the UK's big banks, enabling customers to stay flexible to respond to changes in the wider interest rate environment

Paragon Bank is launching a new 120 Day Notice Savings Account (available from Friday 15 August) at a top of market rate of 1.90% AER* for savers with balances from £500 to £100,000.

Building on Paragon Bank's initial range of easy access and fixed rate savings accounts, the new Notice Savings Account represents an attractive choice for savers looking to maintain flexibility to respond to changes in the wider interest rate environment.

Notice accounts are not currently on offer from the UK's largest banks. Traditionally a mainstay of the UK building societies, notice accounts offer savers something of a half-way house between easy access and fixed term. This is because the interest rate, although variable, is typically pitched at a higher level than easy access products. In addition, savers also maintain the option to withdraw their funds without losing interest provided the appropriate notice is given.

Richard Doe, Paragon Bank's Managing Director, said: "As a new British competitor in the UK banking market, Paragon Bank is committed to expanding competition and choice for UK savers with a range of safe, simple and transparent products at consistently good value rates.

"Given the current market expectation for a gradual increase in the Bank of England base rate, many savers are understandably keen to make sure they can reassess their options if rates rise. Against this background, we expect the competitively-priced Paragon Bank Notice Account available on balances from £500 to be a top pick, giving savers flexibility to take advantage of future developments if required.

"By matching the 1.90% rate on Paragon's One Year Fixed Rate Savings Account, customers can now choose between two market-leading products depending on how actively they want to manage their money."

Paragon Bank is registered under the Financial Services Compensation Scheme (FSCS) which protects eligible deposits up to a total of £85,000.

*AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and compounded on an annual basis.

ENDS

For further information or to open an account, visit www.paragonbank.co.uk

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NOTES TO EDITORS

About Paragon Bank

Launched in February 2014, Paragon Bank is a new British bank focused on improving competition and choice for UK consumers and SMEs.

In its first year, Paragon Bank will concentrate on establishing four product ranges: online savings offered direct to consumers and loan products including car finance, personal loans and buy-to-let distributed through a trusted network of intermediaries.

Paragon Bank's savings range now includes:

- An Easy Access Savings Account paying 1.00% AER on funds from £100 to £150,000 (minimum opening balance £500) with interest payable monthly
- A 120 Day Notice Savings Account paying 1.90% AER on funds from £500 to £100,000, with interest payable annually on the anniversary of funding.
- A One Year Fixed Rate Savings Account paying 1.90% AER on funds from £1,000 to £100,000, with interest payable annually on the anniversary of funding
- A Two Year Fixed Rate Savings Account paying 2.10% AER on funds from £1,000 to £100,000, with interest payable annually on the anniversary of funding; and

Paragon Bank is a wholly owned subsidiary of The Paragon Group of Companies and is based in Solihull in the West Midlands. Established in 1985, The Paragon Group of Companies is best known as the UK's leading specialist buy-to-let lender and consumer finance group. A FTSE 250 company, the Group has over £10 billion of assets and has serviced over 1.5 million customers.

Paragon Bank is registered under the Financial Services Compensation Scheme (FSCS) which protects eligible deposits up to a total of £85,000.

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