



PRESS RELEASE
18 February 2014

PARAGON LAUNCHES BANK

- Paragon Bank launches today
- Paragon Bank brings consumers new choices in savings and loans
- Car finance lending launches today
- Online savings products to launch in Spring

Paragon Bank launches today with a promise to focus on providing straightforward and competitive savings and loans for UK consumers and SMEs.

Paragon Bank, part of FTSE 250 Paragon Group, has been granted a banking licence by the Prudential Regulation Authority. Benefitting from the Group's strong heritage as a low-cost specialist mortgage and consumer finance lender, Paragon Bank will bring choice and competition to UK consumers.

The Bank will operate from headquarters in Solihull and will employ market leading technology to deliver lending products through established intermediary channels and via the growing use of the internet for its savings products.

Paragon Bank will be led by Managing Director, Richard Doe, who was previously Chief Executive of ING Direct UK.

The Bank will operate in specialist lending markets where there are good growth prospects and a demonstrable need for increased competition, capitalising on over a decade of previous consumer lending experience. Its initial product range will be competitively priced car finance loans available via brokers and car dealers, utilising bespoke online systems combined with expert underwriting and customer support, bringing much needed new competition to the market.

Paragon Bank will also deliver a choice of online competitively-priced savings products direct to consumers, launching with easy access and fixed rate savings accounts in the Spring. Savers will be able to open and manage accounts with Paragon Bank online, supported by a UK-based customer services team.

Personal loans will be available through brokers later in the year.

Richard Doe, Paragon Bank's Managing Director, said: "Paragon Bank will bring choice and customer focus to the UK banking market, by providing consumers with straightforward, competitive products that are transparent, easy to understand and manage. Our aim is to establish Paragon Bank as a trusted banking partner for our customers and business partners.

"This is an exciting time for Paragon Bank and we are looking forward to providing our customers with quality products and great customer service."

Commenting on today's launch, the Group's Chief Executive Nigel Terrington said: "Today's launch of Paragon Bank marks an exciting development for the Group and is a key element of our growth strategy. It enables Paragon to diversify our funding through raising retail deposits and utilising our extensive experience in consumer finance by delivering a range of consumer and SME lending products to UK consumers."

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Further information can be found at: www.paragonbank.co.uk

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NOTES TO EDITORS

Paragon Bank is a wholly owned subsidiary of The Paragon Group of Companies and is based in Solihull in the West Midlands.

Paragon Bank is part of the Financial Services Compensation Scheme and eligible deposits with Paragon Bank will be protected up to a total of £85,000.

The Board of Paragon Bank is comprised of the Managing Director, the Finance Director and three Non-executive Executive Directors. Richard Doe, formerly Chief Executive of ING Direct UK is Managing Director and Andrew Smithson, previously Head of Finance at Unity Trust Bank, is Finance Director. Stephen Blaney, formerly Managing Director and Non-executive Chairman of UK private bank Brown Shipley, is Paragon Bank's Non-executive Chairman. Ian Lindsey OBE, most recently a Non-executive Director of Vanquis Bank, is the Senior Independent Non-executive Director and Nigel Terrington, Paragon Group's Chief Executive is also a Non-executive Director of Paragon Bank.

The Bank's parent company, The Paragon Group of Companies PLC, established in 1985, 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 PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England number 5390593. Registered office 51 Homer Road, Solihull, West Midlands B91 3QJ. Paragon Bank PLC is registered on the Financial Services Register under the firm reference number 604551. Car Finance products are not currently regulated by the Prudential Regulation Authority or the Financial Conduct Authority.