

**Paragon Mortgages (No.13) PLC**

**NOTICE**

**FOR IMMEDIATE RELEASE**

**PARAGON MORTGAGES (NO.13) PLC**

**51 Homer Road, Solihull, West Midlands, B91 3QJ  
a company incorporated in England and Wales  
(registered number 5393650)**

**\$1,500,000,000 Class A1 Notes Due 2039  
£125,000,000 Class A2a Notes Due 2039  
€315,000,000 Class A2b Notes Due 2039  
\$350,000,000 Class A2c Notes Due 2039  
£56,000,000 Class B1a Notes Due 2039  
€84,000,000 Class B1b Notes Due 2039  
£13,000,000 Class C1a Notes Due 2039  
€81,000,000 Class C1b Notes Due 2039  
(the "Notes")**

**1. BACKGROUND**

- (a) Reference is made in this notice (the "**Notice**") to:
- (i) the A1 note conditional purchase agreement entered into between, *inter alios*, The Royal Bank of Scotland N.V. (formerly ABN AMRO Bank N.V., London Branch) ("**RBS N.V.**"), Paragon Mortgages No.13 PLC (the "**Issuer**") and Citicorp Trustee Company Limited (the "**Trustee**") on 26 October 2006, as amended on 15 September 2008 and 03 December 2015 and as novated (in respect of the role of A1 Note Conditional Purchaser only) by The Royal Bank of Scotland N.V. in favour of The Royal Bank of Scotland plc on 3 July 2015 (the "**A1 Note Conditional Purchase Agreement**");
  - (ii) the trust deed entered into between the Issuer and Trustee on 26 October 2006 as supplemented on 30 January 2013 and as amended on 15 September 2008 (the "**Trust Deed**") and the terms and conditions of the Notes in Schedule 4 of the Trust Deed (the "**Conditions**");
  - (iii) the notices issued by the Issuer via the RNS on:
    - (A) 16 July 2015, pursuant to which it was announced that in accordance with, *inter alia*, the A1 Note Conditional Purchase Agreement and the Trust Deed (including Condition 5(i) (A1 Note Mandatory Transfer Arrangements)), the Class A1 Notes were purchased by the A1 Note Conditional Purchaser on 15 July 2015 (such purchase being the "**A1 Note Conditional Purchase**"); and

- (B) 7 December 2015, pursuant to which it was announced that as a result of the occurrence of, and with effect from the date of, the A1 Note Conditional Purchase, any payments of principal or interest in respect of the Class A1 Notes will be made in sterling on each Interest Payment Date using a principal amount outstanding on the 15 July 2015 of £438,385,053.19 at the interest rate of three month GBP LIBOR plus 24 basis points,

(such notices being the "**Previous Notices**").

- (b) Capitalised terms used in this Notice that are not defined herein have the meaning given to them in the A1 Conditional Note Purchase Agreement and the Trust Deed as applicable.
- (c) This Notice should be read in conjunction with the Previous Notices (of 16 July 2015 and 7 December 2015).

## 2. **NOTIFICATION OF AMENDMENTS MADE TO THE TRUST DEED BY THE ISSUER**

- (a) Pursuant to the arrangements made in accordance with, *inter alia*, the A1 Notes Conditional Purchase Agreement, the Remarketing Agreement, the Trust Deed and the Currency Swap A1 Agreement, the Class A1 Notes were purchased by the A1 Note Conditional Purchaser (The Royal Bank of Scotland plc) on 15 July 2015. This was announced via an RNS on the London Stock Exchange on 16 July 2015.
- (b) On 7 December 2015, the Issuer made a further announcement that as a result of the occurrence of the A1 Note Conditional Purchase, with effect from 15 July 2015, all payments of principal or interest in respect of the Class A1 Notes are now made in GBP and the interest rate on the Class A1 Notes is 3 months GBP LIBOR plus a margin of 24 basis points.
- (c) The Issuer hereby notifies the investors that on 26 February 2016, the Issuer and the Trustee entered into an amendment deed (the "**Deed of Amendment**") in respect of the Trust Deed dated 26 October 2006 (as amended by a first supplemental trust deed on 30 January 2013).
- (d) The amendments made pursuant to the Deed of Amendment become effective on 3 March 2016 and were made in order to:
- (i) enable the clearing systems to "re-badge" the Class A1 Notes from USD into GBP thus conforming the actual currency of payments in respect of the Class A1 Notes to the description of currency used by the clearing systems;
  - (ii) remove the requirement to hold the Class A1 Notes in DTC; and
  - (iii) clarify the provisions on the Interest Determination Date so as to align such provisions with the convention for the other Notes which have originally been denominated in GBP, namely, that the Interest Determination Date is the first day of each Interest Period.

A copy of the Deed of Amendment associated with this Notice may be inspected in physical form at the registered office of the Issuer and during usual business hours on any day that is not a Saturday, Sunday or public holiday or upon request in electronic form from the Issuer for a period of 7 days from the date of this Notice.

Dated 03 March 2016

For further information, please contact:

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Attention: The Directors