

NOTICE OF EARLY REDEMPTION

PARAGON MORTGAGES (NO.8) PLC
(Registered in England and Wales under number 04513172)
(the "**Issuer**")

Class A2a Mortgage Backed Floating Rate Notes Due 2035
ISIN: XS0203410922
Common Code: 020341092
(the "**Class A2a Notes**")

Class A2b Mortgage Backed Floating Rate Notes Due 2035
ISIN: XS0203411144
Common Code: 020341114
(the "**Class A2b Notes**")

Class B1a Mortgage Backed Floating Rate Notes Due 2044
ISIN: XS0203411730
Common Code: 020341173
(the "**Class B1a Notes**")

Class B1b Mortgage Backed Floating Rate Notes Due 2044
ISIN: XS0203412548
Common Code: 020341254
(the "**Class B1b Notes**" and together with the Class A2a Notes, the Class A2b Notes and the Class B1a Notes, the "**Notes**")

NOTICE IS HEREBY GIVEN that all of the outstanding Notes will be redeemed by the Issuer on 15 January 2018 (the "**Optional Redemption Date**"), pursuant to Condition 5(d) of the Terms and Conditions of the Notes. The Notes will be redeemed at their Principal Liability Outstanding together with accrued interest to the Optional Redemption Date.

Notwithstanding the definition of the "Record Date", payment of principal and interest will be made through and in accordance with the rules and procedures for the time being of Euroclear Bank S.A/N.V and Clearstream Banking S.A. (as applicable) as if the Record Date was 14 January 2018.

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Dated 22 December 2017