

RNS ANNOUNCEMENT

To the holders of the Outstanding

£146,000,000 Class A1 Asset Backed Floating Rate Notes due 2036
(Common Code: 21922684; ISIN: XS0219226841)

€259,500,000 Class A2 Asset Backed Floating Rate Notes due 2036
(Common Code: 21922749; ISIN: XS0219227492)

£16,000,000 Class B1 Asset Backed Floating Rate Notes due 2036
(Common Code: 21922765; ISIN: XS0219227658)

€35,500,000 Class B2 Asset Backed Floating Rate Notes due 2036
(Common Code: 21922986; ISIN: XS0219229860)

£18,000,000 Class C1 Asset Backed Floating Rate Notes due 2036
(Common Code: 21923001; ISIN: XS0219230017)

€33,000,000 Class C2 Asset Backed Floating Rate Notes due 2036
(Common Code: 21923044; ISIN: XS0219230447)

£24,500,000 Class D1 Asset Backed Floating Rate Notes due 2036
(Common Code: 21923079; ISIN: XS0219230793)

€30,000,000 Class D2 Asset Backed Floating Rate Notes due 2036
(Common Code: 21923184; ISIN: XS0219231841)

issued by Paragon Personal and Auto Finance (No. 3) PLC

NOTICE IS HEREBY GIVEN to the holders of the above Notes that, Paragon Personal and Auto Finance (No. 3) PLC has elected United Kingdom as its "home Member State" for the purposes of Article 2.1(i)(ii) of the Transparency Directive. This notice is being issued in accordance with Paragraph 6.4 of the Disclosure and Transparency Rules of the UK Financial Services Authority.

A notice to this effect will also be issued through the Clearing Systems on the date hereof.

For further queries, please contact the Issuer at:

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Paragon Personal and Auto Finance (No. 3) PLC

26 July 2012