



**PARAGON BANK PRESS RELEASE
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CHALLENGING THE HIGH-STREET ISA RATES

With the start of a new tax year comes refreshed ISA allowances, and to ensure you have the best rate for 2017-18, you may need to turn away from High Street Banks. ISAs are a popular way to save with £518 billion being deposited in cash ISAs at the end of the 2015-16 tax year*, and more and more savers are turning to the lesser known Challenger Banks.

If you have funds sat in a cash ISA with a low interest rate, you might want to consider transferring your old ISA to a Challenger Bank to get some of the best rates currently available in the market.

The 2017-18 tax year brings even more reasons to transfer your ISA, with a number of changes being brought into the market to benefit savers.

Firstly, and perhaps most importantly, the annual ISA allowance is being increased from £15,240 to £20,000.

Banks are also making it easier than ever to transfer, with the new seven-day transfer goal.

Another benefit for savers is being able to split your ISA allowance between different accounts with the same provider, meaning you could hold some deposits in a Fixed Rate account and some in an Easy Access account.

Challenger Banks are consistently topping the best buys, and Paragon Bank is one of the few active in the cash ISA market. Paragon Bank will continue to target the top spot by launching its new Two Year Fixed Rate Cash ISA with an interest rate of 1.26% AER*. The Two Year Fixed Rate Cash ISA, which will be available from 21 April 2017, will offer a strong interest rate for savers who are willing to deposit money for a longer term.

Richard Doe, Managing Director of Paragon Bank, said: "The increase in the ISA allowance is good news for savers, allowing them to increase the amount they can save tax free.

"In a market where competition has been limited, our new Two Year Fixed Rate Cash ISA is pitched to offer ISA savers a consistently competitive interest rate, maximising benefits from the increased allowance. Alongside our competitive interest rates, the new seven-day transfer goal is making it more attractive than ever for customers who are thinking about making the switch."

*Source: HM Revenue & Customs Individual Savings Accounts (ISA) statistics

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

Paragon Bank's savings products are available online only and eligible deposits are protected by the Financial Services Compensation Scheme up to a maximum of £85,000.

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NOTES TO EDITORS

Paragon Bank is a British bank offering savings and loans to customers in the UK. Paragon Bank's savings products are offered direct to customers online. Paragon Bank's lending products cover car finance, personal loans, buy-to-let mortgages, asset and development finance.

Launched in February 2014, Paragon Bank is a wholly owned subsidiary of The Paragon Group of Companies, 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. The Group has over £12.3 billion of assets under management and currently services over 450,000 customer accounts across its three main markets – lending, loan portfolio acquisition and savings.

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