



Tagging Info

Fitch Downgrades 3 Paragon and 1 Newgate Remarketable Notes' Short-term Ratings

Ratings

20 Oct 2011 10:07 AM (EDT)

Fitch Ratings-London-20 October 2011: Fitch Ratings has downgraded Paragon Mortgages (No.11) PLC, Paragon Mortgages (No.13) PLC, Paragon Mortgages (No.14) PLC and Newgate Funding Plc Series 2007-3 remarketable notes' Short-term Ratings to 'F1sf' from 'F1+sf'. A full list of rating actions is at the end of this comment.

Remarketable notes are intended to constitute eligible securities for purchase by money market funds, and are remarketed by the remarketing agent annually. If the remarketing agent is unable to identify sufficient third-party purchasers for all the outstanding remarketable notes, the conditional note purchaser is obliged to acquire the outstanding remarketable notes. For this reason, the remarketable notes' Short-term Rating is linked to conditional note purchaser's Short-term Issuer Default Rating.

The Royal Bank of Scotland plc (RBS plc) acts as the conditional note purchaser in Paragon 11, Paragon 14 and Newgate Funding Plc Series 2007-3, while Royal Bank of Scotland N.V. (RBS N.V.) performs this role for the class A1 notes of Paragon 13. The downgrades of the Short-term Ratings of the remarketable notes therefore follow the downgrade of both entities' Short-term Issuer Default Rating to 'F1'. The notes' Long-term Ratings are unaffected.

The rating actions are as follows:

Paragon Mortgages (No.11) PLC:
Class A1 (ISIN XS0246900756): downgraded to 'F1sf' from 'F1+sf'

Paragon Mortgages (No.13) PLC:
Class A1 (ISIN XS0272533935): downgraded to 'F1sf' from 'F1+sf'

Paragon Mortgages (No.14) PLC:
Class A1 (ISIN XS0292826921): downgraded to 'F1sf' from 'F1+sf'

Newgate Funding Plc Series 2007-3:
Class A1 (ISIN XS0329651995): downgraded to 'F1sf' from 'F1+sf'

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Additional information is available at www.fitchratings.com.

"The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings."

Sources of information - in addition to those mentioned in the applicable criteria, the sources of information used to assess these ratings were Investor and Servicer Reports.

Applicable criteria, 'EMEA Residential Mortgage Loss Criteria', dated 16 August 2011 and 'EMEA Criteria Addendum - United Kingdom - Mortgage Loss and Cash Flow Assumptions', dated 12 August 2011 are available at www.fitchratings.com.

Applicable Criteria and Related Research:

EMEA Residential Mortgage Loss Criteria

EMEA Criteria Addendum - United Kingdom - Mortgage Loss and Cash Flow Assumptions

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