

DISCOUNT WINDOW FACILITY – QUICK REFERENCE GUIDE

PRE-POSITIONING PROCESS

Eligibility of collateral can be checked in advance of pre-positioning, drawdown or substitution by submitting ISINs to discountwindow-eligibility@bankofengland.co.uk
Collateral can also be pre-positioned at any time in advance of drawdown or substitution.

Send [pre-positioning notice](#) to DWF_Team@bankofengland.co.uk summarising securities to be delivered, specifying ISINs, nominal values, settlement system and account number.

Deliver securities to the Bank, where possible using unmatched free of payment deliveries to the Bank's nominated account.

Participant receives pre-positioning statement from the Bank, the latest version of which should be used in drawdowns, substitutions or margin calls.

DRAWDOWN PROCESS

Telephone the Bank's Dealing Desk to request drawdown, before 14:00.

Send DWF Transaction Notice ([appendix I](#)), latest confirmation from the Bank of pre-positioned securities and relevant securities [template](#) to discountwindow-drawings@bankofengland.co.uk before 14:00, detailing whether securities are to be delivered by the Crest DBV facility or Member-to-Member delivery in Crest, the market value of Gilts required, term of drawing (30 or 364 days)* and pre-positioned securities to be used.

The Bank will advise whether the facility can be used, and if so, the total anticipated amount of DWF Swap Fee over the life of the outstanding DWF transactions.

The Bank will advise on nominal value of Gilts to be lent and ISINs in the case of member-to-member Gilts.

The Bank will deliver securities by MTM delivery by 14:55. If this is not practicable settlement will occur in the Free of Payment window (16:10-16:40), in this event the DWF participant must use the highest priority in Crest to enable settlement to occur (90). In the case of delivery by DBV, settlement will occur between 15:00-16:10.

DWF participant to match Bank instructions in Crest to allow settlement.

TERMINATION PROCESS

Telephone the Bank's Sterling Dealing Desk to request termination, before 10:30.

Send a Termination Notice ([appendix VII](#)) and relevant securities [template](#) to discountwindow-drawings@bankofengland.co.uk before 10:30, including the ISINs and nominal values of Gilts to be returned, if Member-to-Member Gilts.

DWF participant and the Bank to transfer securities delivered at the start of the DWF Transaction back to each other.

Participant may specify (using securities [template](#)) whether securities should be returned to the pre-positioning pool (for use in further drawdowns or substitutions) or returned to their account.

PARTIAL TERMINATION PROCESS

In the case of a partial termination a full termination will be made, as above, followed by a new drawdown for the remaining value and term of the swap.

* There will be an additional 25bp fee applied to any part of an institution's drawings with an initial maturity beyond 30 days ([Market Notice](#))

DISCOUNT WINDOW FACILITY – QUICK REFERENCE GUIDE

SUBSTITUTION PROCESS

Participant calls settlement team as early as possible on day of substitution.*



Participant sends substitution securities [template](#) to settlement team (DWF_Team@bankofengland.co.uk), detailing securities to be swapped and additional settlement information (whether securities to be taken from pre-positioning pool, or, if not, the swap reference).



The Bank will endeavour to complete substitutions on a same day basis, subject to the timings outlined on p.226 [SMF Documentation](#).

*If this is not possible then participants should ensure they send details of securities to the settlement team at least 2 hours before the deadlines outlined on page 226 of the [SMF Documentation](#).

COLLATERAL CALL PROCESS

Bank endeavours to notify participant by 11:30 in the event of a collateral call



If participant has pre-positioned DWF collateral the Bank expects this to be used to meet part or all (if of sufficient value) of the collateral call. If this is not the case, participant should deliver additional collateral to the Bank, which must settle before 14:00 on the day the collateral call is made.



Participant sends margin securities [template](#) to settlement team (DWF_Team@bankofengland.co.uk), detailing securities to be swapped.

Collateral cannot be delivered on the same day as a collateral call via the Bank of Japan or domestically in the United States via DTC reflecting practical timing constraints. Such securities can be pre-positioned or substituted once securities delivered via Crest or the ICSD have settled.

BANK OF ENGLAND SETTLEMENT ACCOUNT DETAILS

CREST - JOMAY – Note this is the account from which swap securities will be delivered.

Euroclear - 16396

Clearstream – 13967

US DTC – Securities are held via Bank of New York (DTC code 2359) account 155537

JGBs – account held with Bank of Japan (0500021)

Participants should be aware that this document is intended only as a quick reference guide, and should be consulted in partnership with [SMF Documentation](#). If, after consultation of the [SMF Documentation](#), participants are unsure of any point of process they should contact the Bank's front office. In the event of any conflict between procedures outlined here and those outlined in the [SMF Documentation](#) the latter takes precedent.

CONTACT DETAILS

Front office: 020 7601 5000 / discountwindow-drawings@bankofengland.co.uk

Back office: 020 7601 3922 / 3627 / DWF_Team@bankofengland.co.uk