

Pro Forma Legal Opinion on Discount Window Facility
[Capacity and Country issues]
[Notepaper of External Legal Counsel]

To: The Governor and Company of the Bank of England (the “**Bank**”)
Threadneedle Street
London
EC2R 8AH

[Date]

Dear Sirs,

BANK OF ENGLAND DISCOUNT WINDOW FACILITY

[name of participating institution] (the “**Participant**”)

As external Legal Counsel for the Participant in [country], we refer to the participation of the Participant in the Bank’s Discount Window Facility (the **Facility**) on the terms and subject to the conditions set out in the document headed “Terms And Conditions for Participation in the Bank of England’s Operations under the Sterling Monetary Framework: Terms and Conditions for the Discount Window Facility” (the **Terms and Conditions**) and the related documents referred to therein. Any capitalised term used in this letter and not otherwise defined herein shall bear the same meaning as set out in the Interpretation of the Terms and Conditions.

1. We have examined:
 - (a) the Terms and Conditions;
 - (b) the other DWF Documentation;
 - (c) the Admission Letter (signed by the Participant, and dated []); and
 - (d) the constitutional documents of the Participant, and such other corporate records, certificates and other documents as we have considered necessary or desirable for the purposes of this letter.

2. Having considered the documents listed in paragraph 1 above and having regard to all applicable laws of [country], we are pleased to advise that in our opinion:
 - (a) the Participant was incorporated or otherwise duly organised in [country] [as e.g. a limited company] and is a separate legal entity, is subject to suit in its own name, is an entity separate from, and is not a department of, [country] or the Government of [country] and no steps have been, or are being, taken in relation to any receivership, administration, liquidation, winding up or analogous proceedings under the laws of [country] in relation to the Participant or a material part of its undertaking;

- (b) the Participant has the necessary power and authority, and all necessary corporate and other action has been taken, to enable the Participant to sign and deliver the Admission Letter and perform the obligations undertaken by it under the DWF Documentation;
- (c) the execution by the Participant of the Admission Letter and performance by the Participant of its obligations under the DWF Documentation will not cause:
 - (i) any limit on the Participant or its directors (whether imposed by the documents constituting the Participant, statute or regulation, or, to the best of our knowledge, agreement or otherwise) to be exceeded;
 - (ii) any applicable law, rule, regulation or order to which the Participant is subject to be contravened,
 - (iii) any default under, or give rise to an obligation to create any form of security interest or similar right pursuant to, any agreement or other instrument or any judgment or other requirement known to us to which the Participant is a party or by which it or any of its assets is bound;
- (d) the Admission Letter has been properly signed and delivered on behalf of the Participant and the obligations on the part of the Participant under the DWF Documentation, assuming them to be valid and binding according to English law by which they are expressed to be governed, are valid and legally binding on the Participant under the laws of [country] and in the courts of [country];
- (e) the payment obligation of the Participant to the Bank, or the Bank to the Participant, under paragraph 11 of the DWF Documentation will be recognised under the laws of [country] as a single net payment obligation in accordance with the provisions of those clauses;
- (f) the [signature, delivery and] performance of the DWF Documentation by the Participant constitute[s] private and commercial acts rather than public or governmental acts;
- (g) it is not necessary or advisable under the laws of [country] in order to ensure the validity, enforceability, priority or admissibility in evidence of the obligations of the Participant or the rights of the Bank under the DWF Documentation, that the DWF Documentation be filed, registered, recorded or notarised in any public office or elsewhere or that any other instrument relating thereto be signed, delivered, filed, registered or recorded, that any tax or duty be paid or that any other action whatsoever be taken;
- (h) all consents, authorisations, licences or approvals of, or registrations with, or declarations to, governmental or public bodies, authorities or courts of or in [country] in connection with the validity, enforceability, priority or admissibility in evidence of the obligations of the Participant or the rights of the Bank under the DWF Documentation have been unconditionally obtained or made or are in full force and effect

- (i) the obligations of the Participant under the DWF Documentation rank at least equally and rateably (*pari passu*) in point of priority and security with all other unsecured obligations of the Participant;
- (j) there is no withholding in respect of duties, taxes or charges to be deducted from any payment to be made by the Participant pursuant to the DWF Documentation; and the arrangements contemplated by the DWF Documentation do not give rise to any charge whatsoever to taxes in [country];
- (k) there are no registration, stamp or other taxes or duties of any kind payable in [country] in connection with the signature, performance or enforcement by legal proceedings of the DWF Documentation;
- (l) there is no applicable usury or interest limitation law in [country] which may restrict the recovery of payments in accordance with the DWF Documentation;
- (m) the Bank will not violate any law or regulation in [country] nor become or be deemed to become resident, domiciled, carrying on business or liable to tax in [country] by reason of entering into the DWF Documentation with the Participant or performing its obligations thereunder;
- (n) it is not necessary that the Bank should be licensed, qualified or otherwise entitled to carry on business or that it should establish a place of business in [country] in order to enforce any provisions of the DWF Documentation;
- (o) the choice of English law to govern the DWF Documentation will be upheld as a valid choice of law in any action in the [country] Courts;
- (p) the consent to the jurisdiction by the Participant contained in the Terms and Conditions is valid and binding on the Participant and not subject to revocation;
- (q) any judgment for a definite sum given by the High Court of Justice in England against the Participant would be recognised and accepted by the [country] Courts without re-trial or examination of the merits of the case..

Notwithstanding that this opinion is addressed to the Bank, the Bank may disclose (but none of the following shall be entitled to rely upon) this opinion to HM Treasury and to any relevant national central bank, monetary authority or regulatory or supervisory authority having responsibility for the supervision or oversight of the Participant (or in whose jurisdiction the Participant is carrying on business) or of any payment or securities settlement system or clearing house in which the Participant is a participant.

Yours faithfully