



THE BANK OF ENGLAND'S FUNDING FOR LENDING SCHEME: REPLACEMENT OF TREASURY BILLS PROVIDED IN FLS TRANSACTIONS

TREASURY BILL EXCHANGE PROCESS

FLS Transactions may be up to 4 years duration. The Treasury Bill provided has a maturity of approximately 9 months. In order to allow FLS Transactions to continue, the maturing Treasury Bill needs to be exchanged for the new 'on-the-run' Treasury Bill in the month prior to its maturity. The Bank will publish dates for the rollover window for the return of maturing bills, which will open approximately four weeks before maturity and will close around 10 Business Days later. The Treasury Bill underlying each FLS Transaction should be replaced in a single exchange. All new Treasury Bills will have an original maturity of approximately 9 months.

Prior to the beginning of each 'rollover window', the Bank will contact relevant Participants to confirm their preferred date for the Treasury Bill exchange. Participants should inform the Bank at the earliest possible opportunity if for some reason the exchange will not take place on the anticipated date.

Participants will be required to send a completed [FLS T-Bill Rollover](#) form for each FLS Transaction. The completed template should be sent to FLS.team@bankofengland.co.uk before 10:30am on the day of exchange.

Participants should also ensure that the necessary trade instructions are entered into CREST on the day of exchange:

- 1) A free of payment member-to-member delivery to return the maturing Treasury Bill to the Bank (CREST 1MMAY) to be entered by 12:00pm
- 2) A free of payment member-to-member delivery to receive the replacement 'on-the-run' Treasury Bill from the Bank to be entered by 2:30pm.

The maturing Treasury Bill must be returned to the Bank before the replacement Treasury Bill is delivered to the Participant.

Participants should be aware that this document is intended only as a quick reference guide and should be read together with the [FLS Documentation](#). In the event of any conflict between the [FLS Documentation](#) and the procedures set out in this document, the [FLS Documentation](#) shall prevail.

CONTACT DETAILS

Front Office: 020 3461 5000 FLS-transactions@bankofengland.co.uk

Back Office: 020 3461 5700 FLS.team@bankofengland.co.uk