



PROCESS FOR ADDING COLLATERAL TO THE MAIN COLLATERAL POOL

Collateral eligibility should be checked in advance of delivery. Eligibility of securities can be checked by submitting ISINs to eligible.securities@bankofengland.co.uk; eligibility of raw loan portfolios is determined through a separate eligibility approval process (queries relating to this process should be addressed to eligible.loans@bankofengland.co.uk). Eligible collateral can be added to the main collateral pool at any time in advance of drawdown.

To add collateral to the main collateral pool, the counterparty should send in a collateral increase [Confirmation Template](#) to cmc.scp@bankofengland.co.uk. Additionally, if the collateral is raw loans the loan ID assigned by the Bank (e.g. LOAN12345678) and the nominal value(s) should also be specified.

Please note that all deliveries of securities and loans, regardless of their eventual destination pool, must be via the main collateral pool in the first instance.

Participant receives holding statement from the Bank confirming details of the collateral in the main collateral pool, including its level and adjusted market value.

DRAWDOWN PROCESS

Phone the Bank's Sterling Dealing Desk to request drawdown, before 12:00.

Send a completed [DWF Transaction Notice](#) to the Sterling Dealing Desk (discountwindow-drawings@bankofengland.co.uk) specifying the term of drawing (to be agreed with the Bank's Sterling Dealing Desk), the collateral to be used, the market value of gilts required in exchange and the preferred CREST delivery mechanism: Member-to-Member (MTM) or DBV.

The Bank will be in contact to confirm the status of the drawing and advise on the total anticipated DWF Swap Fee. For MTM gilts, the Bank will also advise on the nominal value being lent.

For gilt drawings, DWF participant to instruct to receive the gilts.

MTM gilts will be delivered by the Bank by 14:55. If this is not practicable settlement will occur in the Free of Payment window (17:30-18:00) - 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 15:00-17:30. If, through prior arrangement, the Bank has agreed to lend a participant cash, this will be delivered before 18.00.

TERMINATION PROCESS (Full)

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

Send a completed [Termination Notice](#) to the Sterling Dealing Desk. For MTM gilts borrowed, include the ISINs and nominal values of gilts to be returned. Participants can request the Bank's front office to move collateral which is no longer backing any trades out of the DWF Pool – securities will be moved to the main collateral pool; raw loans will be moved to the loan pre-positioning pool (LPP). If the transaction being terminated is a counterparty's only outstanding DWF transaction, the collateral will automatically be moved to the main collateral pool or LPP.

The participant must return the gilts (or for cash drawings, principal plus interest) and pay any outstanding fees before the Bank transfers their collateral out of the DWF pool to the main collateral pool.

TERMINATION PROCESS (Partial)

In the case of a partial termination, please complete a [Termination Notice](#) and send to the Sterling Dealing Desk (discountwindow-drawings@bankofengland.co.uk).



DISCOUNT WINDOW FACILITY – QUICK REFERENCE GUIDE

PROCESS FOR SUBSTITUTING COLLATERAL IN DWF POOL

Changes to the collateral in the DWF pool are at the Bank's discretion. Participants can instruct the Bank to move collateral subject to having sufficient funds in their main collateral pool and DWF pools to collateralise outstanding trades. Participants should call the Bank's Sterling Dealing Desk as early as possible on the day to request a change.

Participant sends a populated [Confirmation Template](#) to the Sterling Dealing Desk detailing the securities or loans to be swapped and additional settlement information if required by 10:30am.

COLLATERAL CALL PROCESS

Bank endeavours to notify participant by 10:30 in the event of a collateral call.

The participant should deliver additional collateral to the Bank, which must settle before 14:00 on the day the collateral call is made.

Participant instructs movement of collateral via portal or swift to add to the main collateral pool (or, in the case of raw loans, the LPP). Counterparty then sends a [Confirmation Template](#) to the Sterling Dealing Desk instructing the movement.

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.

USER GUIDE TO CONFIRMATION TEMPLATES

For more information on how to fill in the [Confirmation Template](#), please see the [Confirmation Template User Guide](#).

BANK OF ENGLAND SETTLEMENT ACCOUNT DETAILS

Delivering to/from the SCP:

CREST – 7333 | Euroclear – 92696 | Clearstream – 78042

US DTC – Securities are held via Bank of New York (DTC code 2634) account 155535

JGBs – account held with Bank of Japan (0500021)

Bank of Canada – 30643005

FRBNY – SCB/6000 ABA 021088904

Receiving/Returning DWF Gilts: CREST – JOMAY

DWF Fee Payment: BoE Account 50001906

DWF Cash Repayment: BoE Account 54833493

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 consulting 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 (Sterling Dealing Desk): 020 3461 5000 / discountwindow-drawings@bankofengland.co.uk

Back Office: 020 3461 5700 / cmc.scp@bankofengland.co.uk