



TERM FUNDING SCHEME – QUICK REFERENCE GUIDE

COLLATERAL POSITIONING

Collateral eligibility should be checked ahead of a new advance or substitution. Eligibility of securities can be checked by submitting ISINs to eligible.securities@bankofengland.co.uk; eligibility of loan portfolios is determined through a separate eligibility approval process (queries relating to this process should be addressed to eligible.loans@bankofengland.co.uk).

TFS drawings are collateralised in the main collateral pool (SCP) alongside SMF Advances and other Funding Schemes. Loans can be delivered by following the process outlined on the second page of this guide. Participants can also deliver securities to the SCP from other collateral pools using the Collateral Management Portal. For loans, Participants should transfer loan pools into the Loan Pre Positioning pool before moving them into the SCP.

PROCESS FOR NEW DRAWING

**The Term Funding Scheme
closed for drawdowns on 28 February 2018.**

EARLY TERMINATION PROCESS

Participants should give the Bank at least two Business Days' notice of the intention to repay early a TFS Advance (including specifying a full or partial repayment) by telephoning the Bank's Sterling Markets Division Dealing Desk.



On the termination date, the Participant should telephone the Bank's Sterling Markets Division Dealing Desk to confirm the intention to repay before 12:00pm.



Participant must send a completed [TFS Repayment Notice](#) to TFS.transactions@bankofengland.co.uk before 12:00pm, including the original transaction reference and the amount to be terminated.



For full repayments, accrued TFS Interest is due at the point of repayment, as a separate payment. Participants should contact the Sterling Markets Division Dealing Desk in advance to confirm the exact amount of TFS Interest due. For partial repayments, the Bank will continue to send a payment invoice on the first Business Day of each calendar quarter for any TFS Interest due.

COLLATERAL MOVEMENTS

Participants must ensure their positions remain fully collateralised at all times. All collateral movements should be completed in line with the details provided in the [TFS Operating Procedures](#).



To move securities directly into or out of the SCP: Eligible securities can be moved by using the CMP.

To move loans directly into or out of the SCP: Participant sends a completed [Confirmation Template](#) form and, for a movement into the SCP, the relevant Collateral transfer request notice to loansdata@bankofengland.co.uk, detailing loans to be transferred and additional settlement information if required. See 'Further guidance on loan collateral' for further details.



The Bank will endeavour to complete collateral movements on a same day basis, subject to the timings outlined in the [TFS Operating Procedures](#).

COLLATERAL CALL PROCESS

In the event of a collateral call, the Bank endeavours to notify the Participant by 10:30am. The Bank expects such calls to be met on the same Business Day.



The Participant should deliver additional collateral to cover the call. This should be initiated by 11:30am. The collateral delivered must settle as soon as possible on the day the collateral call is made.



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

FURTHER GUIDANCE ON LOAN COLLATERAL

Both a Loan Collateral Transfer Request Notice (LCTRN) and a Confirmation Template are required for moving loans into the SCP. These should be completed and sent to loansdata@bankofengland.co.uk. For more information on how to complete the confirmation templates, please see the [user guide](#).

The LCTRN to be used when moving loans into the SCP is available [here](#).

To move loans from an existing pool into the SCP, the loans should first be moved to the loan prepositioning pool and then moved into the SCP.

Loans governed by Scottish Law or subject to a Declaration of Trust require extra documentation. Further guidance on utilising these loans in the TFS should be sought from loansdata@bankofengland.co.uk.

BANK OF ENGLAND SETTLEMENT ACCOUNT DETAILS

Euroclear – 92696

Clearstream – 78042

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

JGBs – account held with Bank of Japan (0500021) (Please note this must settle on a T+2 basis)

Bank of Canada – 30643005

FRBNY – SCB/6000 ABA, 021088904, Account - England

CHAPS – 10-00-00, 54833493, BKENGB33, OMO Payment Account

SWIFT BIC – BKENGB2L

Participants should be aware that this document is intended only as a quick reference guide, and should be read together with the [TFS Documentation](#). If, after reviewing the [TFS Documentation](#), Participants are unsure of any point of process they should contact the Bank's Sterling Markets Division Dealing Desk. In the event of any conflict between procedures outlined here and those outlined in the [TFS Documentation](#) the latter takes precedence.

CONTACT DETAILS

Front office: 020 3461 5000 / TFS.transactions@bankofengland.co.uk

Middle Office: 020 3461 5909 / loansdata@bankofengland.co.uk

Back office: 020 3461 5700 / TFS.team@bankofengland.co.uk