

Bank of England

Contingent Non-Bank Financial Institutions Repo Facility (CNRF)

Process Guide

Sterling Markets Division



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Technical Information

The Bank's Mission



Monetary stability



Financial stability

Purpose of the Contingent NBFi Repo Facility (CNRF)

The purpose of the CNRF is to address future episodes of severe gilt market dysfunction that threaten UK financial stability arising from shocks that temporarily increase non-banks' market-wide demand for liquidity.

It is likely to be used in preference to asset purchases where lending is effective in tackling gilt market dysfunction and when the demand for liquidity is outside the reach of the Bank's existing Sterling Monetary Framework (SMF) lending facilities.

As a contingent facility, the CNRF will be activated at the Bank's discretion in episodes of severe gilt market dysfunction that threaten UK financial stability.

For further detail see [Contingent Non-Bank Financial Institution Repo Facility \(CNRF\)](#) and the [28 January 2025 Market Notice](#)

Key features of the Bank's CNRF operation

- As a contingent facility, the CNRF will be activated at the Bank's discretion in episodes of severe gilt market dysfunction that threaten UK financial stability. The activation of the CNRF will be announced via a Market Notice.
 - When activated, the CNRF will lend cash to participating insurance companies, pension funds and liability-driven investment funds (collectively referred to as 'ICPFs') against UK sovereign debt (gilts) for a short lending term. The Bank will accept both conventional and index-linked gilts (including unconventional gilts such as strips).
 - The CNRF is deliberately designed with flexibility in mind, so as and when we judge it appropriate to activate the CNRF, we will calibrate its pricing and terms to suit the needs of the market at that time. These will be specified in the Market Notice at the point of activation.
 - Pricing will be set as a spread to Bank Rate and will be calibrated such that the facility is unattractive when compared to market pricing in normal conditions, but attractive during times of stress when the facility is active.
 - The maturity of the lending is expected to be short-term, with a lending term of around 1 to 2 weeks. However, the Bank expects that Participants will be able to roll their borrowing in operations while the CNRF is active.
 - The Bank will **fully allocate** all bids subject to individual counterparty borrowing and concentration limits.
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Operational Information

How to apply to the Bank's CNRF

- ICPFs intending to join the CNRF should submit relevant documentation to allow the Bank to assess their eligibility and conduct detailed due diligence. A guide to CNRF legal documentation is [available here](#).

Application Process

- Submit an application via the Applications Team (CNRFapplications@bankofengland.co.uk), More information on the application process can be found on [our website](#).
 - The Bank will assess the application.
 - Once the application has passed initial checks, the Bank will initiate operational and technical set up, including Btender (via Swift).
 - A Btender walkthrough will be provided by Bank staff and an end-to-end test trade will be required to ensure operational readiness.
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How to apply to the Bank's CNRF

- ICPFs that would like to apply for admission to the CNRF should submit the relevant documentation to the Applications Team at CNRFapplications@bankofengland.co.uk.
 - The Bank will assess the applicant's eligibility and conduct detailed due diligence.
 - If the applicant passes these initial eligibility assessments, the Bank will initiate operational and technical set up. This will include requesting information for settlement purposes and setting up the applicant in Btender (via Swift).
 - A Btender walkthrough will be provided by Bank staff, and a separate test trade involving the placement and return of collateral will be required to ensure operational readiness.
 - Please see [Section 4 of the CNRF Guide to Legal Documentation](#) for more information on the admission process.
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Btender CNRF Operation Walkthrough – Accessing the operation

Type	Date	Start	End	Amount (£mn)	Status
CNRF (non-bank)	10/01/2025	10:00	11:00	999,999.00	Active

- Log in to Btender.
- The CNRF operation will be listed in the operation timetable with the date, start time, and end time for the operation.
- Please note that the date, start time, and end time listed above are for illustration purposes only.
- Live operation parameters will be published as a Market Notice in due course.

Btender CNRF Operation Walkthrough – Placing bids

The screenshot shows the Btender interface for a CNRF (non-bank) operation. The header includes the Bank of England logo, the operation name 'CNRF (non-bank) (7191)', the amount '£999,999mn', and the date '10-01-2025 10:00'. A 'Logout' button is visible in the top right. The left sidebar contains navigation options such as 'UAT 1', 'Operation Timetable', and 'CNRF (non-bank) 10/01/2025'. The main area displays the operational agent 'RW04' and a warning: 'Warning: you are bidding for 'RW02''. Below this, there are tabs for 'Active Bids' and 'Cancelled Bids'. A table with columns for 'Maturity', 'Bid Amt (£mn)', 'Bid Rate (%)', and 'Status' is shown. At the bottom, there is an 'Add Bids' section with a table for entering bids. The first row in the 'Add Bids' table has 'Weekly' in the 'Description' column, '100' in the 'Bid Amt (£mn)' column, and '4.900' in the 'Bid Rate (%)' column. A 'Submit All' button is located at the bottom right of the interface.

Operation: CNRF (non-bank) (7191) | £999,999mn | 10-01-2025 10:00

Operational Agent: RW04

Select Counterparty to bid for: RW02

Warning: you are bidding for 'RW02'.

Active Bids | Cancelled Bids

Maturity	Bid Amt (£mn)	Bid Rate (%)	Status
(All)			(All)

Undo all | Re-submit all

Add Bids

Description	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)
Weekly	100	4.900						

Submit All

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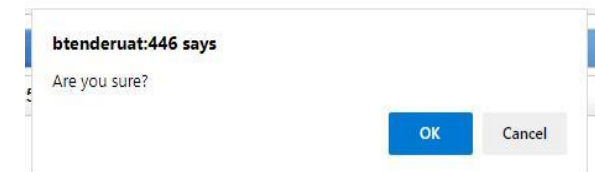
- When you click on CNRF (non-bank), you will enter the operation as shown above.
- Using the 'Add bids' box, you can enter your desired bid amount. The rate is determined by the Bank and will be announced by the Bank when the facility is activated and ahead of each operation.
- Click 'Submit All' to submit your bids. Please note only a single bid will be accepted for each participant.

Btender CNRF Operation Walkthrough – Acting as a representative

The screenshot displays the Btender interface for a CNRF (non-bank) operation. The operation details are: CNRF (non-bank) (7191), £99,999mn, 10-01-2025 10:00. The operational agent is RW04. A dropdown menu for 'Select Counterparty to bid for:' is open, showing options RW02 and RW03. A yellow warning banner states 'Warning: you are bidding for RW03'. The 'Active Bids' section is currently empty. Below, the 'Add Bids' table has a single row for 'Weekly' with a bid rate of 4.900. A 'Submit All' button is circled in red at the bottom right of the table.

Description	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)
Weekly		4.900						

- If bidding as a representative on behalf of multiple participants use the drop down list to move between participants.
- A warning message will appear to confirm the movement between participants.
- For each participant, enter a bid and press 'Submit all'.
- Please note only a single bid will be accepted for each participant.



Btender CNRF Operation Walkthrough – Managing bids

The screenshot shows the Btender interface for a CNRF (non-bank) operation. The operational agent is RW04. A warning message states: "Warning: you are bidding for 'RW02'". The main table displays one active bid with the following details:

Maturity	Bid Amt (£mn)	Bid Rate (%)	Status	
(All)	100	4.900	Valid	

Buttons for "Undo all" and "Re-submit all" are visible at the bottom right of the table.

- Once submitted, the bid will appear as an active bid in the screen.
- The status column will show if the bid is valid. The bid for £500mn shown has been rejected as it exceeds the counterparty's limit.
- Click on the rubbish bin icon on the far right to delete a bid.

The screenshot shows the Btender interface for a CNRF (non-bank) operation. The operational agent is RW04. A warning message states: "Warning: you are bidding for 'RW02'". The main table displays one active bid with the following details:

Maturity	Bid Amt (£mn)	Bid Rate (%)	Status	
(All)	500	4.900	Rejected	

Buttons for "Undo all" and "Re-submit all" are visible at the bottom right of the table.

Below the main table, there is an "Add Bids" section with a table for entering new bids:

Description	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)	Bid Amt (£mn)	Bid Rate (%)

A "Submit All" button is located at the bottom right of the "Add Bids" section.

Btender CNRF Operation Walkthrough – Operation results

Results of Operation (CounterpartyViewer,CounterpartyDealer) Logout

CNRF (7090) £ Unlimited 02-10-2024 12:40 Complete

Overall Tender Results Download

Total Amount of Bids Received	Total Amount of Bids Accepted
£80.00mn	£80.00mn
Weekly	
Amount on Offer (£mn)	Unlimited
Total Bids Received (£mn)	80
Auction Rate (%)	5.25

Allocation Results Download

Maturity Date	Counterparty	Agent Name	Auction Rate (%)	Bid Amt. (£mn)	Alloc. Amt. (£mn)	Status
	(All) <input type="text"/>					(All) <input type="text"/>
09/10/2024	OPA	OPAGENT	5.250	10	10.00	VFA
09/10/2024	OPC1	OPAGENT	5.250	10	10.00	VFA
09/10/2024	OPC	OPAGENT	5.250	60	60.00	VFA
09/10/2024	OPC	OPAGENT	5.250	20	0.00	CAN

- Once the auction has ended, the Bank will allocate the bids.
- The total auction results appear on screen.
- Your results appear in the lower section (VFA – Valid Fully Allocated or REJ – Rejected).
- Aggregate results are published shortly after on the wire service and are also published on the Bank website weekly.

Test Trade Programme

- All CNRF participants will be required to successfully complete a full end-to-end test trade, involving the placement and return of collateral at the end of their onboarding process.
- All CNRF participants will then be required to complete periodic test trades to ensure ongoing operational readiness.
- Firms will also need to complete the financial data form annually. This document, along with the accompanying certificate will need to be sent to CNRFdata@bankofengland.co.uk.

Test Trade Programme

- Once the onboarding process has been completed, all CNRF participants will be required to successfully complete a full end-to-end test trade. This will involve placing bids via Btender and the placement and return of collateral.
- All CNRF participants will then be required to complete periodic end-to-end test trades to ensure ongoing operational readiness.
- Firms will also need to complete and submit the CNRF Financial Data Form and accompanying CNRF Financial Data Form Certificate to CNRFdata@bankofengland.co.uk on an annual basis - please see the [CNRF Operating Procedures](#) for more information.

Quick Links

- Further information regarding the Bank's new facility can be found here:
 - [Contingent NBF1 Repo Facility \(CNRF\) – Market Notice 28 January 2025 | Bank of England](#)
 - [Contingent NBF1 Repo Facility \(CNRF\) – Explanatory Note 24 July 2024 | Bank of England](#)
 - [CNRF FAQs](#)
 - Detailed information regarding the application process can be found here:
 - [Contingent Non-Bank Financial Institution Repo Facility \(CNRF\) | Bank of England](#)
 - [Contingent Non-Bank Financial Institution Repo Facility \(CNRF\) Guide to Legal Documentation](#)
 - Further information on using Btender can be found in the [Btender User Guide](#)
 - For questions regarding applications, please contact [**CNRFapplications@bankofengland.co.uk**](mailto:CNRFapplications@bankofengland.co.uk)
 - For questions regarding Btender operations/to request another walkthrough, please contact [**CNRFoperations@bankofengland.co.uk**](mailto:CNRFoperations@bankofengland.co.uk)
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