

REVISION TO THE TERMS OF THE DMO'S STANDING REPO FACILITY  
10 NOVEMBER 2008

The UK Debt Management Office (DMO) is today announcing an amendment to the terms under which its Standing Repo Facility will be available to its regular dealing counterparties, in the light of the reduction to the Bank of England's official Bank Rate, announced last week

With effect from the market opening on Tuesday, 11 November, the rate applicable to borrowing gilts under this facility will remain at Bank Rate minus 300 bps, but with a minimum floor of 0.25%. This new floor rate is intended to apply for as long as the Bank of England's official Bank Rate remains at or below 3.00%, but the DMO reserves the right to keep this under review and to alter the terms as it deems appropriate. All other terms of borrowing relating to this Facility remain unchanged.

The terms of the DMO's Special Repo Facility, introduced on 6 October 2008 remain unchanged at present. This Facility is available to Gilt-Edged Market Maker firms in conventional gilts with a residual maturity of less than 5-years at the prevailing Bank Rate less 150 bps (currently 1.50%) for periods of one week at a time. Here too, the DMO reserves the right to keep these terms under review and to amend or withdraw as deemed appropriate.