



SEF Products

**UNITED STATES
COMMODITY FUTURES TRADING COMMISSION**

Submitter Information	
Organization Name Bloomberg SEF LLC	
Organization Type SEF	Organization Acronym BSEF
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Cover Sheet	
Submission Number 2604-0816-1241-97	Submission Date 4/8/2026 4:12:41 PM ET
Submission Type 40.2(a) Product Certification	
Submission Description CDX Financials Index Contract	
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Registered Entity Identifier Code BBSF	
Intended Listing Date 4/13/2026	
<input type="checkbox"/> Listing Date Unknown	
Product Information	
Official Product Name CDX Financials Index Contract	
Product Type Swap	Settlement Method Cash Settlement
Product Group Financial Instrument	Product Sub Group Credit Event
<input type="checkbox"/> Novel Product Subject to Jurisdictional Determination	
Product Publication Website	
Documents	
CDX FIN INDEX P-1 Final - Filing.pdf	
Request For Confidential Treatment - Detailed Written Justification	
N/A	

Bloomberg

April 8, 2026

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**Re: CFTC Regulation 40.2(a) Certification. Initial Listing of CDX Financial Index Contract
BSEF Submission No. 2026-P-1**

Dear Mr. Kirkpatrick:

Bloomberg SEF LLC (“**BSEF**”) is certifying to the U.S. Commodity Futures Trading Commission (“**CFTC**” or “**Commission**”) the initial listing of the contract (the “**Contract**”) for trading on the swap execution facility operated by BSEF (“**SEF**”) effective April 13, 2026, for trade date April 13, 2026. Capitalized terms used but not defined herein have the meanings ascribed to them in the Bloomberg SEF LLC Rulebook – Swap Execution Facility (“**BSEF Rulebook**”).

A. Description of the Contract’s Terms and Conditions

Each Contract is a credit default swap on CDX FINANCIALS index (the “**Index**”) in which one party (the protection buyer) pays periodic premiums to another party (the protection seller) in exchange for compensation if a specified credit event occurs in relation to a referenced entity or obligation.

The Contract’s terms are aligned with market standards and follow the 2014 ISDA Credit Derivatives Definitions (“**2014 Definitions**”), developed by The International Swaps and Derivatives Association, Inc. (“**ISDA**”)¹ and updated from time to time.

The 2014 Definitions define the following elements for credit default swap contracts:

- Business Days
- Dates and Periods, Business Day Convention
- Payments, Calculations and Corrections, e.g., Initial Exchange Amount, Final Exchange Amount
- Fixed Amounts

¹ The 2014 Definitions are published by ISDA on its “MyLibrary” platform, available here: <https://www.isda.org/isda-solutions-infohub/mylibrary/>. For more information on the 2014 Definitions, please see: <https://www.isda.org/2014/06/30/2014-isda-credit-derivatives-definitions/>

- Floating/Contingent Amounts
- Credit Events
- Calculation Agent provisions
- Settlement Method

Terms and Conditions of the Contract

The terms and conditions of the Contract are set forth in 1208.A., attached as Exhibit A. As described in Exhibit A, some terms of the Contract are fixed (e.g., currency and index), while other terms are flexible and determined by the counterparties (e.g., effective date and maturity date). This combination of standard and flexible terms allows the Contract to have a basic consistent form, while allowing counterparties to tailor some aspects of the Contract to their economic needs. This structure follows industry convention; the terms of the Contract match the terms of credit default swaps that are commonly offered in the market.

A CDX FIN credit default swap is not a referenced contract under CFTC Regulation 150.1.

Calculation of Cash Settlement Price

The contract is financially settled. The settlement process for the Contract includes the following payments:

Upfront Fee Payment: The upfront fee is a portion of the payments which is present-valued and paid immediately to the seller.

Premium Payment (Fixed Quarterly Cash Payment): Reflected in basis points and paid by the protection buyer to the protection seller.

- Payment Frequency: Quarterly
- Business Calendar: New York
- Business Day Conventions: Following
- Day Count Convention: ACT/360

Contingent Payment: Payments related to credit event settlement will be determined pursuant to 2009 ISDA Credit Derivatives Determination Committees and Auction Settlement Supplement, (i.e., the Big Bang Protocol) (“ISDA Protocols”).

This settlement method is widely used for credit default swaps, and thus widely accepted by market participants.

B. Description of Underlying Commodity

The reference index used to determine the exchange of payments for the Contract is IHS Markit’s CDX Financials Indices, or the CDX.FINANCIALS Index (the “**Index**”). The Index will measure a basket of credit default swap instruments associated with 25 entities from the North American banking and insurance sectors. On a semi-annual basis the indices roll; the composition of the new equal-weighted series is designed for market participants to take a view on the overall credit quality and direction of the underlying basket in one tradable instrument.

The Index is owned, managed, compiled and published by S&P Dow Jones Indices Limited (“**SPDJ UK**”) (the “**Administrator**”). The Administrator is authorized by the UK FCA as Benchmark Administrator in July 2018 and complies with the UK Benchmarks Regulation. SPDJ UK is listed as authorized Benchmark Administrator on the FCA Benchmarks register. The composition of the Index is determined by the Administrator in accordance with the rules and methodologies set forth in the Index Methodology.² If the Administrator determines that an event has had a material impact on the integrity of one or more Index-related transactions, including but not limited to trading interruptions, market instability and/or force majeure events, the Administrator, acting in an independent and reasonable manner, may determine that it is appropriate to depart from the methodologies, timelines and/or procedures set forth in the Rules to obtain a result that preserves the economic intent of such Index. As this Index is based on clear, widely-available, comprehensive and transparent rules, it is not readily susceptible to manipulation.

The Index is not a narrow-based security index used in the definition of security-based swap as applied to credit default swaps within the meaning of CFTC Regulation 1.3 as of April 13, 2026.

C. Compliance with Applicable Core Principles

BSEF reviewed the swap execution facilities core principles (“**Core Principles**”) as set forth in the Commodity Exchange Act (“**CEA**”) and identified that the Contract may have some bearing on the following Core Principles:

§ 37.200 Core Principle 2—Compliance with rules.

The Contract is not subject to the mandatory trading requirement under CFTC Regulation 37.12 and can be executed as set forth in Chapter 5 of the Rules of the BSEF Rulebook.

Trading in this Contract will be subject to Chapter 5 of the Rules which includes prohibitions against fraudulent, non-competitive, unfair and abusive practices and will be subject to monitoring and surveillance by the Compliance Department. The Compliance Department may use its investigatory and enforcement power where potential rule violations are identified during its regular surveillance reviews.

Chapter 6 of the Rulebook contains provisions that allow BSEF to discipline, suspend or expel Participants that violate the Rules. Trading in the Contract will be subject to Chapter 6, and the Compliance Department has the authority to exercise its enforcement power in the event rule violations related to this Contract are identified.

§ 37.300 Core Principle 3—Swaps not readily susceptible to manipulation.

The Contract is not readily susceptible to manipulation for a number of reasons. First, the underlying asset for the Contract is an excluded commodity as defined in section 1a(19) of the Commodity Exchange Act, making manipulation very difficult to achieve. Second, the management and calculation of the reference price is based on clear and comprehensive rules. Third, as noted above, the method for calculating the cash settlement price – involving upfront fee payments, fixed quarterly cash payments, and (in the case of a credit event) a contingent

² Please see the “CDX Financials Indices Methodology” available at

<https://www.spglobal.com/spdji/en/documents/methodologies/methodology-cdx-financials-indices.pdf>

payment – is widely used and generally accepted by market participants. And last, BSEF has a market surveillance program that is designed to surveil this market, detect uncommon activity, and investigate any such activity for signs of manipulation.

§ 37.400 Core Principle 4—Monitoring of trading and trade processing.

Trading in the Contract will be subject to Chapter 5 of the Rules which includes prohibitions on manipulation, price distortion, and disruptive trading practices. As with any new product listed for trading on the SEF, trading activity in the Contract proposed herein will be subject to monitoring and surveillance by the Compliance Department.

Rule 409 requires Participants to retain information and provide to BSEF sufficient information to allow the SEF to comply with Core Principle 4 with respect to trade monitoring and trade processing.

BSEF will monitor the calculation methodology of the underlying Index to determine if the Contract continues to be suitable for listing on the SEF. The calculation methodology of the Index is publicly available.

The Contract will be subject to risk controls set forth in Rule 535.

§ 37.600 Core Principle 6—Position limits or accountability.

BSEF will comply with Parts 150 and 151 of the Commission’s regulations, as applicable.

§ 37.900 Core Principle 9—Timely publication of trading information.

Trading volume and price information will be published daily on BSEF’s website at <https://data.bloombergsef.com/>.

BSEF certifies that: (1) the Contract complies with the Commodity Exchange Act, 7 U.S.C. §1 et seq. and regulations thereunder; and (2) this submission has been posted on BSEF’s website at <https://www.bloomberg.com/professional/products/trading/trading-venues/swap-execution-facility/compliance/> concurrently with the filing of the submission with the Commission.

Should you have any questions concerning the above, please contact the undersigned at 212-617-7331 or dglatter1@bloomberg.net.

Sincerely,

/s/ Daniel Glatter, Chief Compliance Officer

Exhibit A: SEF Rule 1208.A

Exhibit A**Attachment A***Terms and Conditions***1208.A. CDX Financials Index Contract**

Contract Overview	Credit Default Swap: An agreement to buy or sell protection on a basket of 25 of the most liquid, investment-grade North American bank and insurance issuers
Ticker	CDX FIN CDSI [Series Number] [Tenor]
Index	CDX.FINANCIALS: All series
Index Type	Corporate; Untranchd
Index Version	Current version
Index Term Value	Same as Tenor
Index Factor	Current factor
Currency	USD
Quoting Convention	Spread and/or upfront payment.
Minimum Increment	CLOB: 0.0025 Basis Points Trading Protocols other than CLOB: As agreed by counterparties
Minimum Size	CLOB: 1,000,000 Basis Points Trading Protocols other than CLOB: As agreed by counterparties
Trading Conventions	Buy = Buy Protection Sell = Sell Protection
Swap Tenor	Any
Effective Date	Unadjusted date at which obligations under the swap come into effect.
Maturity Date/Expiration Date	Unadjusted date at which obligations under the swap stop being effective.
Settlement Method	Financially settled
Settlement	<p><i>Upfront Fee Payment:</i> The upfront fee is a portion of the payments which is present-valued and paid immediately to the seller.</p> <p><i>Premium Payment (Fixed Quarterly Cash Payment):</i> Reflected in basis points and paid by the protection buyer to the protection seller.</p> <ul style="list-style-type: none"> • Payment Frequency: Quarterly • Business Calendar: New York • Business Day Conventions: Following • Day Count Convention: ACT/360 <p><i>Contingent Payment:</i> Payments related to credit event settlement will be determined pursuant to 2009 ISDA Credit Derivatives Determination Committees and Auction Settlement Supplement, (i.e., the Big Bang Protocol) ("ISDA Protocols").</p>
Final Contractual Settlement Date	Same as the Expiration Date, unless there is a Credit Event. If there is a Credit Event, the final Contractual Settlement Date is determined by Credit Event Rules.

Settlement Currency	USD
“Made Available to Trade” Determination	None
Mandatory Clearing Determination	None
Trading Hours	00:01 -24:00 Sunday-Friday (Eastern Time)
Settlement Procedure	Bilateral
Clearing House	None
Block Size	As set forth in Part 43 of the CFTC Regulations
Speculative Limits	As set in Part 150 of the CFTC Regulations
Reportable Levels	As set in the CFTC Regulation 15.03