

April 15, 2025

Submitted via Portal

U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: CFTC Regulation 40.6(a) Certification. Issuance of BSEF Notice to Participants 2025-R-1

Ladies and Gentlemen:

Bloomberg SEF LLC ("**Bloomberg SEF**") is certifying to the U.S. Commodity Futures Trading Commission ("**CFTC**" or "**Commission**") the (i) issuance of BSEF Notice to Participants 2025-R-1 regarding Participants' obligation to review and update BSEF records.

This Notice to Participants is effective on **April 29, 2025**. A copy of the Notice is attached as **Exhibit A**.

Bloomberg SEF reviewed the swap execution facility core principles ("**Core Principles**") as set forth in the Commodity Exchange Act ("**Act**" or "**CEA**") and identified that the Notice to Participants may have some bearing on the following Core Principles:

- **Compliance With Rules (Core Principle 2):** Notice 2025-R-1 reminds Participants of their ongoing obligation to keep current the existing information maintained in BSEF's Participant onboarding records database, known as ENFB. |
- **Ability to Obtain Information (Core Principle 5):** Notice 2025-R-1 reminds Participants of their ongoing obligation to provide all applicable information for each Order or Trade required by Rule 524.A.
- **Timely Publication of Trading Information (Core Principle 9):** Notice 2025-R-1 reminds Participants how BSEF derives and utilizes information provided by Participants and clarifies compliance with Rules 524.A and 532.

Bloomberg SEF certifies that: (i) the Notice to Participants complies with the Act and the Commissions regulations thereunder, and (ii) a notice and copy of this submission has been concurrently posted on Bloomberg SEF's website. There were no substantive opposing view to the Notice to Participants.

Please contact the undersigned at (212) 617-7331 with any questions regarding this matter.

Very truly yours,



Daniel Glatter
Chief Compliance Officer

Bloomberg SEF LLC
731 Lexington Avenue
New York, NY 10022

Enclosure

Exhibit A



BLOOMBERG SEF LLC

Notice to Participants No. 2025-R-1

PARTICIPANT BULLETIN APRIL 29, 2025

Rules 301, 302, 401(b), 402, 524, 530 and 532: Participants' Obligation to Review and Update Participants' Records with BSEF and Comply with Order-Entry Requirements

This Participant Bulletin supersedes and replaces Notice to Participants 2024-R-19.¹

Bloomberg SEF LLC ("**BSEF**") reminds Participants of their ongoing obligation to keep current their existing information maintained in BSEF's Participant onboarding records database, which is known as ENFB. On a regular basis, Participants should visit ENFB to verify the information they have provided, and if necessary, update such information as soon as possible. In addition, for each Order or Trade, Participants must provide all applicable information required by Rule 524.A. Failure to maintain correct Participant information in ENFB or to comply with order entry requirements may constitute a violation of the Rules and cause BSEF to report inaccurately to a swap data repository ("**SDR**").

This Participant Bulletin outlines certain requirements and actions that Participants are required to take, and how BSEF may use Participant-provided ENFB information. This Bulletin also describes how BSEF derives and utilizes information provided by Participants and clarifies compliance with Rules 524.A and 532. Any section of this Participant Bulletin that is new or has been updated since the last Participant Bulletin has been marked below with "[**new**]" or "[**updated**]," accordingly.

Capitalized terms used, but not defined herein, have the meanings assigned to them in the SEF Rulebook, which is available at <https://www.bloomberg.com/professional/product/sef-compliance/>.

I. PARTICIPANT-PROVIDED ENFB INFORMATION

Participants should consult their legal counsel if unsure of which ENFB option to select. BSEF personnel may not provide any Participant with legal advice.

A. SEF TRADING STATUS [updated**]**

Participants are required to select their SEF Trading Status on ENFB from the options provided in Table 1 below. The SEF Trading Status selected by a Participant will be used by BSEF for market monitoring and assignment of an allocation indicator for SDR reporting purposes².

Table 1. SEF Trading Status options on ENFB (Trading tab)

SEF Trading Status - Agent	
Trading Status	Rulebook Reference
Agent – Asset Manager	See the definition of an "Account Manager" in Chapter 1 of the Rules
Agent – Direct Market Access Customer	See the definition of an "Account Manager" and "DMA Customer" in Chapter 1 of the Rules

¹ The prior Participant Bulletin dated December 9, 2024 is available here: <https://assets.bbhub.io/professional/sites/27/BSEF-2024-R-19-Effective.pdf>.

² See Section II.A. for a description of how BSEF assigns an allocation indicator.

Agent – FCM	See the definition of a “Futures Commission Merchant” in Chapter 1 of the Rules
Agent – Inter-Dealer Broker (not CFTC-registered)	See the definition of an “Introducing Broker” in Chapter 1 of the Rules
Agent – Introducing Broker	See the definition of an “Introducing Broker” in Chapter 1 of the Rules
Agent – Corporate Treasury	See the definition of an “Account Manager” in Chapter 1 of the Rules
Agent – Sponsoring Broker	See the definition of a “Sponsoring Broker” in Chapter 1 of the Rules

SEF Trading Status - Principal	
Trading Status	Rulebook Reference
Principal – Swap Dealer/MSP	See the definitions of a “Swap Dealer” and “Major Swap Participant” in Chapter 1 of the Rules
Principal – Non-Swap Dealer/MSP	See the definitions of a “Swap Dealer” and “Major Swap Participant” in Chapter 1 of the Rules
Principal – Direct Market Access Customer	See the definition of a “DMA Customer” in Chapter 1 of the Rules
Principal – FCM	See the definition of a “Futures Commission Merchant” in Chapter 1 of the Rules

B. INTERMEDIATION VIA PRIME BROKER INDICATOR **[updated]**

Parts 43 and 45 of the CFTC Regulations (“**SDR Reporting Rules**”) require BSEF to indicate whether a Counterparty to a Swap is a Prime Broker.³ To comply with this requirement, BSEF requires Participants to designate relevant foreign exchange (“**FX**”) Swaps as Prime Brokerage transactions. To assist Participants with this requirement, BSEF introduced a special ENFB field for FX Swaps “Intermediate FX Trades via Prime Broker.”

Participants whose FX trades are always intermediated via a Prime Broker should set the value of the “Intermediate FX Trades via Prime Broker” field to “YES” And shall also be required to select the appropriate Prime Broker on FX Swaps tickets.

If a Participant sets the “Intermediate FX Trades via Prime Broker” value to “NO,” but such Participant will occasionally transact an FX Swap that is intermediated via a Prime Broker, then such Participant must populate its Prime Broker’s information on a per-trade basis as a part of an RFQ or Order. In the absence of an ENFB “Yes” selection, BSEF will not be able to validate if a Trade is a Prime Broker Trade, but Participants must nonetheless provide information about their Prime Broker.

BSEF will set the default value of the “Intermediate FX Trades via Prime Broker” field to “NO.” A Participant will be able to change the value to “YES” as described above.

BSEF reminds Participants that the failure to designate a Prime Broker for a Trade that is intermediated by a Prime Broker constitutes a violation of the Rules.

³ See Appendix 1 to Part 45 of the CFTC Regulations, Data Element 99 (Prime brokerage transaction indicator). The definition of this Data Element requires an “[i]ndicator of whether the swap transaction satisfies the definition of “mirror swap” or “trigger swap” as defined in CFTC Regulation 43.2(a).

C. FEDERAL ENTITY INDICATOR

The SDR Reporting Rules require BSEF to indicate whether each Counterparty to a Trade is a “federal entity”.⁴ To comply with this requirement, BSEF requests each Participant to indicate its status or non-status as a federal entity in ENFB (YES/NO).

BSEF will set the default value of the “Federal Entity” indicator to “NO.” A Participant will be able to change the value to “YES.” It is an obligation of a Participant to change it to “YES” if the Participant is a federal entity.

D. SEF REPORTING STATUS **[updated]**

The SDR Reporting Rules require BSEF to indicate which Counterparty is a reporting counterparty⁵ and indicate whether each Counterparty to a Trade is a “financial entity,” as defined in section 2(h)(7)(C) of the Commodity Exchange Act.

To comply with this requirement, BSEF requires Participants to indicate their SEF Reporting Status on ENFB by selecting one of the values in Table 2. BSEF will report to its SDR a transaction of a Participant with the “financial entity” indicator for the Participant⁶ if a Participant selects any value in Table 2 except “Other.”

Table 2. SEF Reporting Status Options on ENFB (Trading tab)

SEF Reporting Status	
Financial Entity	See Section 2(h)(7)(C)(i) of the CEA
Limited Major Swap Participant	See the definition of a “Limited Major Swap Participant” in CFTC Regulation 1.3
Limited Swap Dealer	See the definition of a “Limited Swap Dealer” in CFTC Regulation 1.3
Major Swap Participant	See Section 1a(33) of the CEA and the definition of a “Major Swap Participant” in CFTC Regulation 1.3
Other	Please consult your legal counsel and choose this option if none of the options above apply. Note, typically very few entities will fall into the other category.
Swap Dealer	See Section 1a(49) of the CEA and the definition of a “Swap Dealer” in CFTC Regulation 1.3

E. [RESERVED]

F. CLEARING EXEMPTION INDICATOR AND CLEARING EXEMPTION CATEGORIES **[updated]**

The SDR Reporting Rules require BSEF to indicate if a Reporting Counterparty has elected a clearing requirement exception or exemption.⁷ BSEF will use such election to determine if a Participant’s Swap is eligible for execution under Rule 522.D. BSEF will set the default value of the “SEF Clearing Exemption”

⁴ See Appendix 1 to Part 45 of the CFTC Regulations, Data Elements 23 (Counterparty 1 federal entity indicator) and 24 (Counterparty 2 federal entity indicator).

⁵ See CFTC Regulation 45.8(h).

⁶ See Appendix 1 to Part 45 of the CFTC Regulations, Data Elements 16 (Counterparty 1 financial entity indicator) and 17 (Counterparty 2 financial entity indicator).

⁷ See Appendix 1 to Part 45 of the CFTC Regulations, Data Elements 11 (Clearing exceptions and exemptions – Counterparty 1) and 12 (Clearing exceptions and exemptions – Counterparty 2).

in ENFB to “None.” Participants may elect an applicable clearing requirement exception or exemption from the options listed in Table 3.

Table 3. SEF clearing requirement exception and exemption options on ENFB (Clearing tab)

SEF Clearing Exemption	
None	
Affiliate - Agent Entity (OTHR)	See Section 2(h)(7)(D) of the CEA
Bank Holding Company (OTHR)	See CFTC Regulation 50.78
Captive Finance Company (OTHR)	See Section 2(h)(7)(C)(iii) of the CEA
Central Bank/Sovereign (OTHR)	See CFTC Regulation 50.75
Community Development Financial Institution (OTHR)	See CFTC Regulation 50.77
Cooperative (COOP)	See CFTC Regulation 50.51
Credit Union (SMBK)	See CFTC Regulation 50.53
Eligible Treasury Affiliate (NOAL)	See CFTC No-Action Letter 14-144
End User / Not a Financial Entity (ENDU)	See CFTC Regulation 50.50
Farm Credit System Institution (SMBK)	See CFTC Regulation 50.53
FDIC-Insured Small Bank (SMBK)	See CFTC Regulation 50.53
Inter-Affiliate (AFFL)	See CFTC Regulation 50.52
International Financial Institution (OTHR)	See CFTC Regulation 50.76
Intra-Entity (OTHR)	BSEF Internal Category
Savings and Loan Holding Company (OTHR)	See CFTC Regulation 50.79
Savings Association (SMBK)	See CFTC Regulation 50.53

G. CUSTOMER TYPE INDICATOR (CTI) CODES **[new]**

Pursuant to CFTC Regulation 37.205(b)(2)(ii) and Rule 524.A(h), a Participant needs to provide a CTI⁸ code corresponding to a Participant’s trading status in a specific transaction. The CTI code on ENFB is defaulted to CTI 1. It is an obligation of a Participant to change the CTI code if necessary.

Please contact your Sales representative if you will use BSEF in more than one trading capacity and require more than one CTI code. It is important that a Participant establishes a separate ENFB profile for each SEF Trading Status and CTI code, if needed, based on the Participant’s facts and circumstances. This helps to ensure that the Participant executes each Trade using the appropriate ENFB profile and such Trade has the correct CFT code.

H. U.S PERSON INDICATOR **[new]**

Pursuant to Rule 524.A(h), a Participant needs to indicate if it is a “U.S. Person”, e.g., select “Yes” if a Participant is a U.S. Person and “No” if a Participant is not a U.S. Person.

“U.S. Person” is defined in CFTC Regulation 23.23(23) and, generally, with respect to legal entities means a partnership, corporation, trust, investment vehicle, or other legal person organized, incorporated,

⁸ Please see Rule 524.B for a full list of CTI Codes.

or established under the laws of the United States or having its principal place of business in the United States.

II. BSEF-ASSIGNED INFORMATION

A. ALLOCATION INDICATOR

BSEF will assign an “allocation indicator”⁹ to each Trade executed on the SEF operated by BSEF based on the Participant’s selected SEF Trading Status.¹⁰

Please contact your Sales representative if you will use BSEF in more than one trading capacity. It is important that a Participant establishes a separate ENFB profile for each SEF Trading Status, if needed, based on the Participant’s facts and circumstances. This helps to ensure that the Participant executes each Trade using the appropriate ENFB profile and such Trade has the correct allocation indicator. Participants that plan to “allocate” transactions must provide the LEI of each Account.¹¹

Based on the SEF Trading Status that a Participant selects, BSEF will report to its SDR the allocation status for a Participant’s Trade as follows:

1. Participants trading in an Agent capacity:

Reporting a Trade with a Participant’s LEI and an allocation indicator of “UNAL” will not be permitted.

- If no allocations are provided, the Trade will be reported with the allocation indicator “PREA” and the LEI of the Participant.
- If multiple allocations are provided, the Trade will be reported with the allocation indicator “PREA” and the LEI of the Participant.
- If only one allocation is provided, the Trade will be reported with the allocation indicator “UNAL” and the LEI of the Account.

2. Participants trading in a Principal capacity:

Multiple allocations will not be permitted. Reporting of a trade with a Participant’s LEI and allocation indicator “PREA” will not be permitted.

- All Trades will be reported with the allocation indicator “UNAL” and the LEI of the Participant.

3. Participants acting as a Sponsoring Broker:

⁹ See Appendix 1 to Part 45 of the CFTC Regulations, Data Element 91 (Allocation indicator). The definition of this Data Element requires an “[i]ndicator of whether the swap transaction is intended to be allocated, will not be allocated, or is a post-allocation transaction.” The CFTC Technical Specification dated March 1, 2023 prescribes the use of one of the following appropriate indicators: POST = An indication that the transaction is the result of an allocation; PREA = An indication that the transaction is to be allocated; or UNAL = An indication that the transaction is not a post-allocated transaction and/or is not to be allocated.

¹⁰ See Section I.A. for a description of SEF Trading Status.

¹¹ Allocation to a single Account is not considered an “allocation” within the meaning of CFTC Regulations 45.1 and 45.3(c) and cannot be reported with the allocation indicator PREA and the LEI of a Participant acting as an agent. Failure to provide the LEI of the Account will result in inaccurate SDR reporting and a potential violation of the Rules by a Participant acting as an agent. Participants should refer to CFTC Regulations 45.3(c), 45.4(c) and 45.5 (e) with respect to the reporting obligations for allocated swaps.

The allocation indicator will be calculated based on the Trading Status of the Participant's Direct Market Access Customer.

4. Participants using a Prime Broker to intermediate FX Swaps:

BSEF will report to BSEF's SDR all FX Swaps intermediated by a Prime Broker (e.g., a "trigger swap"¹²) with the Prime Broker as a Counterparty and the prime brokerage transaction indicator¹³ "True" and the allocation indicator "UNAL."

If an FX Swap Trade is assigned to more than one Prime Broker, BSEF will report each Prime Broker transaction separately with package indicator "True" and a package ID assigned by BSEF in addition to the prime brokerage transaction indicator "True" and the allocation indicator "UNAL."

B. PACKAGE INDICATOR AND PACKAGE ID ASSIGNMENT **[new]**

BSEF will report each leg of the following strategies with a Package Indicator = Yes and assign each leg of the package a package identifier ("Package ID"). The Package ID will be the same for all legs of the same package. If a package has only one swap leg, the Package ID will be assigned to the swap leg.

ASSET CLASS	PACKAGES SUPPORTED FOR SDR REPORTING
RATES	
	Curve
	Fly
	Rolls
	Basis(x2)
	Swap vs. Bond
	Swap vs. Future
	Option with Delta
	Pre-Trade Participant-Defined Package
CREDIT	
	Switch
	Curve
	Roll
	Index Tranche
	Index Arb
	Option with Delta
	Pre-Trade Participant-Defined Package
FOREIGN EXCHANGE	
	FX Swaps-Package of 2 NDFs
	Pre-Trade Participant-Defined Package

Please see section A.4 regarding assigning of a Package ID to Trades with multiple Prime Brokers.

III. ORDER-ENTRY REQUIREMENTS AND ELEMENTS OF AUDIT TRAIL

A. Authorized Trader ID **[new]**

¹² See CFTC Regulation 43.2(a) for the definition of a "trigger swap."

¹³ See Appendix 1 to Part 45 of the CFTC Regulations, Data Element 99 (prime brokerage transaction indicator).

Rules 302, 524.A(a) and 530 require a Participant to nominate or designate one or more Authorized Traders who will conduct SEF Activity on behalf of the Participant and each such Authorized Trader must have a Trader ID. It is the Participant's duty to ensure that the Authorized Trader and Trader ID registration are current and accurate at all times.

Participants are further required under Rules 524.A(a) and 530 to include with each Order message the Trader ID of the Authorized Trader, which enables BSEF to identify the individual entering RFQs or Orders into the SEF Platform, either manually or via automated method.

Failure to provide up-to-date and accurate Trader ID may result in an inaccurate audit trail and subsequent disciplinary action by BSEF. It may also cause inaccurate SDR reporting.

IV. OTHER REQUIREMENTS

A. Participant Profile Form [new]

BSEF requires Participants to provide on their SEF Participant Profile Form certain identifying information to ensure proper reporting to an SDR and compliance with CFTC and certain Canadian regulations. Failure to provide complete and accurate information may result in a violation of the Rules.

B. Designation of an Administrator [new]

A Participant must designate an Authorized Representative pursuant to Rule 307 to serve as a SEF Administrator. SEF Administrators are responsible for making elections in ENFB and appointing Authorized Traders.

C. Updates of Information Previously Submitted to BSEF [new]

Participants are reminded of the requirements of Rule 301(e) and Notice to Participants 2023-R-15 and their obligation to update any information previously submitted by a Participant to BSEF and to keep such information accurate and up to date.