

**BLOOMBERG SEF LLC**

**NOTICE OF DISCIPLINARY ACTION**

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**PARTICIPANT:** Barclays Bank PLC ("**Barclays**")

**RULE VIOLATION:** RULE 506.A Fictitious or Wash Transactions

No Participant that directly or indirectly effects a transaction on the SEF operated by BSEF shall create fictitious transactions or wash transactions or execute any Order with knowledge of its nature.

Rule 513 Supervision

Each Participant shall be responsible for establishing, maintaining and administering reasonable supervisory procedures to ensure that its Authorized Traders comply with the BSEF Rules.

**FINDINGS:** From May 14, 2024 to May 21, 2024, Barclays executed 12 butterfly interest rate swaps (six USD SWAP VS SOFR 10Y, USD SWAP VS SOFR 5Y, and USD SWAP VS SOFR 2Y swaps and six USD SWAP VS SOFR 30Y, USD SWAP VS SOFR 10Y, and USD SWAP VS SOFR 5Y swaps) resulting in 36 transactions in which Barclays was both the buyer and the seller. Such trades occurred within the same account.

Pursuant to BSEF Rule 506.A, no Participant that directly or indirectly effects a transaction on the SEF operated by BSEF shall create fictitious transactions or wash transactions or execute any Order with knowledge of its nature. Barclays violated BSEF Rule 506.A by effectuating 36 swap transactions that created wash transactions.

Additionally, BSEF Rule 513 requires each Participant to establish, maintain, and administer reasonable supervisory procedures to ensure its Authorized Traders comply with BSEF rules. Barclays violated Rule 513 by failing to administer reasonable supervisory procedures to ensure that its Authorized Traders did not engage in wash transactions when transacting on the SEF operated by BSEF.

The violations did not result in financial harm to customers.

**PENALTY:** On August 6, 2025, pursuant to BSEF Rule 612, a BSEF Disciplinary Panel, in accordance with an accepted settlement offer, issued a Decision ordering Barclays to pay \$140,000 for its violations of BSEF Rule 506.A and Rule 513.

**EFFECTIVE DATE:** January 21, 2026