

**BLOOMBERG SEF LLC**

**NOTICE OF DISCIPLINARY ACTION**

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

**RULE VIOLATION:** RULE 516 Trade Cancellation, Correction, Offset and Adjustment – General

Any Trade executed on the SEF Platform operated by BSEF or in accordance with BSEF Rules can be canceled, corrected, adjusted or offset only in accordance with Rule 516.

Rule 513 Supervision

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

**FINDINGS:** On May 3, 2022, Barclays, in executing offsetting and correcting trades in the USD CDX.NA.HY Series 38 5 year swap contract on BSEF with another Participant, violated BSEF Rule 516.

On July 8, 2022, Barclays, in executing offsetting and correcting trades in the USD SOFR OIS 30Y swap contract on BSEF with another Participant, violated BSEF Rule 516.

On December 29, 2022, Barclays, in executing offsetting and correcting trades in the USD ITRX Senior Financial Credit Default Swap Series 38 5-year swap contract on BSEF with another Participant, violated BSEF Rule 516.

On Jul 31, 2023, Barclays, in executing offsetting and correcting trades in the USD CDX IG CDSI S40 5Y swap contract on BSEF with another Participant, violated BSEF Rule 516.

On Jul 31, 2023, Barclays, in executing offsetting and correcting trades in the EUR 10yr MAC swap contract on BSEF with another Participant, violated BSEF Rule 516.

On November 30, 2023, Barclays, in executing offsetting and correcting trades in the USD EMHY CDSI S40 5Y PRC swap contract on BSEF with another Participant, violated BSEF Rule 516.

On October 2, 2024, Barclays, in executing offsetting and correcting trades in the USD CDX HY CDSI S43 5y swap contract on BSEF with another Participant, violated BSEF Rule 516.

Specifically, BSEF Rule 516 requires that Participants enter into an offsetting trade and/or correcting trade in accordance with the specific requirements set forth in the Rule. Barclays violated BSEF Rule 516 on multiple occasions by failing to follow the then effective specific requirements under the Rule when entering into offsetting and/or correcting trades.

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 supervisory procedures to ensure that error trades were properly reported and corrected on BSEF.

The violations did not result in financial harm to customers.

**PENALTY:**

On March 10, 2025, pursuant to BSEF Rule 612, a BSEF Disciplinary Panel, in accordance with an accepted settlement offer, issued a Decision ordering Barclays to pay \$610,000 for its violations of BSEF Rule 516 and Rule 513.

**EFFECTIVE DATE:**

April 7, 2025