

BLOOMBERG SEF LLC

NOTICE OF DISCIPLINARY ACTION

PARTICIPANT: Mizuho Capital Markets LLC ("**Mizuho**")

RULE VIOLATION: RULE 506.B. Pre-Arranged Transactions

No Participant, Account Manager, DMA Customer or Authorized Trader shall engage in a pre-arranged transaction except as permitted by Rules 516, 521 or 531.

FINDINGS: On November 19, 2024, Mizuho, in executing a trade in the USD Swap vs SOFR 10yr ("**USOSFR10**") swap contract on BSEF with another Participant, violated BSEF Rule 506.B. Specifically, pursuant to Rule 506.B, "[n]o Participant...shall engage in a pre-arranged transaction except as permitted by Rules 516, 521 or 531." As the trade was not exempt from the pre-arrangement prohibitions of Rule 506.B, Mizuho therefore violated BSEF Rule 506.B by engaging in pre-arranged transactions in violation of the Rule.

The violation did not result in financial harm to customers.

PENALTY: On June 30, 2025, pursuant to Rule 621, a summary fine in the amount of \$1,250 was assessed against Mizuho for its violations of BSEF Rule 506.B.

EFFECTIVE DATE: July 30, 2025