

BLOOMBERG SEF LLC

NOTICE OF DISCIPLINARY ACTION

PARTICIPANT:	Morgan Stanley & Co. International PLC (" MSI ")
RULE VIOLATION:	<p>RULE 516 Trade Cancellation, Correction, Offset and Adjustment – General</p> <p>(a) Any Trade executed on or pursuant to the Rules of the SEF operated by BSEF can be canceled, corrected, adjusted or offset only in accordance with this Rule 516.</p>
FINDINGS:	<p>On November 27, 2024, MSI, in executing a trade in the EUR iTraxx Senior Financials S42 5yr ("ITXES542") swap contract with another Participant, violated BSEF Rule 516. Specifically, BSEF Rule 516 requires Participants to correct Error Trades executed on the SEF only in accordance with the requirements set forth under Rule 516. MSI violated BSEF Rule 516 when it executed a trade in error and, rather than offsetting and correcting the error by entering into an offsetting trade and a correcting trade, it amended the pricing of a related leg that was part of a package transaction to maintain the economics of the package.</p> <p>The violation did not result in financial harm to customers.</p>
PENALTY:	On July 14, 2025, pursuant to Rule 621, a summary fine in the amount of \$1,250 was assessed against MSI for its violation of BSEF Rule 516.
EFFECTIVE DATE:	August 12, 2025