

BLOOMBERG SEF LLC

NOTICE OF DISCIPLINARY ACTION

PARTICIPANT:	Arini Capital Management Limited (“Arini”)
RULE VIOLATION:	<p>RULE 516 Trade Cancellation, Correction, Offset and Adjustment</p> <p>516.A (a) A Trade in a Cleared Swap executed on or pursuant to the Rules of the SEF operated by BSEF can be cancelled, corrected, offset or adjusted only in accordance with Rule 516.A.</p>
FINDINGS:	<p>On May 27, 2025, Arini, in executing an offsetting trade in the iTraxx Crossover Index Series 43 ("ITRXEX543") swap contract on BSEF with another Participant, violated BSEF Rule 516. Specifically, BSEF determined that the parties had engaged in offsetting and correcting trades of a partial notional of an initial trade executed between Arini and the Participant.</p> <p>Pursuant to the BSEF Rulebook, an “Offsetting Trade” means “a Trade executed and submitted for clearing to a Clearing House, with terms and conditions that economically reverse an Error Trade that was accepted for clearing” (emphasis added). Similarly, a “Correcting Trade” means “a Trade executed and submitted for clearing to a Clearing House, with the same terms and conditions as an Error Trade other than any corrections to any operational or clerical error and the time of execution” (emphasis added). Arini violated BSEF Rule 516 when it engaged in offsetting and correcting trades that, respectively, (i) did not economically reverse the Error Trade and (ii) did not have the same terms and conditions as the Error Trade.¹</p> <p>The violation did not result in financial harm to customers.</p>
PENALTY:	On November 14, 2025, pursuant to Rule 621, a summary fine in the amount of \$5,000 was assessed against Arini for its violations of BSEF Rule 516.
EFFECTIVE DATE:	December 16, 2025

¹ Specifically, Arini violated Rule 516 by acting in a way that contradicted or disregarded the intended meaning of these defined terms.