

**BLOOMBERG SEF LLC**

**NOTICE OF DISCIPLINARY ACTION**

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**PARTICIPANT:** Goldman Sachs International (“**GSI**”)

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

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.

**FINDINGS:** On December 16, 2025, GSI, in executing an Offsetting Trade and a Correcting Trade in the CDX HY CDSI S45 5Y PRC (“**CXPHY545**”) swap contract on BSEF with another Participant, violated BSEF Rule 516. Specifically, BSEF determined that the parties had engaged in an Offsetting Trade and a Correcting Trade of a partial notional of an initial trade executed between GSI and the Participant.

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). GSI 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.<sup>1</sup>

The violation did not result in financial harm to customers.

**PENALTY:** On April 6, 2026, pursuant to BSEF Rule 612, the BSEF Chief Compliance Officer, in accordance with an accepted settlement offer, issued a Written Decision ordering GSI to pay \$5,000 for its violations of BSEF Rule 516.

**EFFECTIVE DATE:** May 4, 2026

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<sup>1</sup> Specifically, GSI violated Rule 516 by acting in a way that contradicted or disregarded the intended meaning of these defined terms.