

**BLOOMBERG SEF LLC**

**NOTICE OF DISCIPLINARY ACTION**

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<b>PARTICIPANT:</b>	Banco Mercantil Del Norte SA Institucion De Banca Multiple Grupo Financiero Banorte (" <b>Banorte</b> ")
<b>RULE VIOLATION:</b>	<p>RULE 516 Trade Cancellation, Correction, Offset and Adjustment – General</p> <p>516.A Notification of Action Taken and Trade Review – Cleared Swaps</p> <p>(a) Cleared Swaps Executed on a Non-Anonymous Basis - If Participants involved in a Trade agree that the Trade is an Error Trade and that the cancellation, correction, adjustment or offset of the Error Trade is appropriate and will not adversely impact market integrity, facilitate market manipulation, or other illegitimate activity, or otherwise violate the CEA, CFTC Regulations or BSEF Rules, Participants may enter into an Offsetting Trade and/or Correcting Trade as provided in the Rule.</p>
<b>FINDINGS:</b>	<p>On October 21, 2024, Banorte, in executing offsetting and correcting trades in the MXN TIIE 39M swap contract on BSEF with another Participant, violated BSEF Rule 516. Specifically, BSEF Rule 516.A(a) requires Participants to notify BSEF of any error trades and, as applicable, take corrective action either by using functionality approved by BSEF ("<b>Ticket Notification</b>") or by notifying the BSEF Support Desk within 24 hours after the execution of an offsetting and/or correcting trade ("<b>Voice Notification</b>"), as specified in Notice to Participants 2024-R-04. Banorte violated BSEF Rule 516 as it failed to use either Ticket Notification or Voice Notification to provide notice to BSEF's Compliance Department of the execution of an offsetting trade and/or correcting trade. The violation did not result in financial harm to customers.</p>
<b>PENALTY:</b>	<p>On January 14, 2025, pursuant to Rule 621, a summary fine in the amount of \$3,000 was assessed against Banorte for its violation of BSEF Rule 516. The penalty included the current violation, which resulted in a second fine on the BSEF summary fine schedule requiring the imposition of a \$1,750 fine, plus a first fine of \$1,250 for a prior violation.</p>
<b>EFFECTIVE DATE:</b>	February 4, 2025