

BLOOMBERG SEF LLC

NOTICE OF DISCIPLINARY ACTION

PARTICIPANT: Citibank, National Association (“Citi”)

RULE VIOLATION: RULE 516 Trade Cancellation, Correction, Offset and Adjustment – General

516.A Notification of Action Taken and Trade Review – Cleared Swaps

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 to correct an Error Trade or into a Correcting Trade using functionality approved by BSEF, as specified in Notice to Participants 2020-1. Use of such functionality required by BSEF will constitute notice to the Compliance Department.

FINDINGS: On July 8, 2022, Citi, in executing offsetting and correcting trades in the USD SOFR OIS 30Y swap contract on BSEF with another Participant, violated BSEF Rule 516.

On December 20, 2022, Citi, in executing offsetting trades in the GBP SWAP VS SON 3Y/4Y/5Y Butterfly swap contract on BSEF with another Participant, violated BSEF Rule 516.

Specifically, BSEF Rule 516 requires Participants to notify BSEF of any error trades by taking corrective action using functionality approved by BSEF, as specified in Notice to Participants 2020-1. Citi violated the then effective BSEF Rule 516 by failing to use functionality approved by BSEF when entering offsetting and correcting trades. The violations did not result in financial harm to customers.

PENALTY: On December 3, 2024, pursuant to Rule 621, summary fines in the amount of \$1,250 and \$1,750 were assessed against Citi for its violations of BSEF Rule 516.

EFFECTIVE DATE: December 24, 2024