



June 4, 2026

Via SEC Electronic Form Filing System

U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: SEC Regulation 242.807 Certification: Amendment to the Bloomberg SEF LLC SBSEF
Rulebook Submission No. 2026-R-SB-01

Ladies and Gentlemen:

Bloomberg SEF LLC (“**BSEF**”) is certifying to the U.S. Securities and Exchange Commission (“**SEC**” or “**Commission**”) the amendment of its Rulebook, as detailed in the table below (collectively the “**Rulebook Amendment**”).

The Rulebook Amendment is effective on **June 18, 2026**.

We have identified in **Exhibit A** the Rule modifications and compliance with the SBSEF core principles (“**Core Principles**”) as set forth in section 3D of the Securities Exchange Act of 1934 (“**SEA**”) and the regulations promulgated thereunder in Regulation SE – “Registration and Regulation of Security-Based Swap Execution Facilities” of the Commission’s regulations.

Pursuant to Section 3D of the SEA, including the core principles relating to security-based swap execution facilities and the SEC rules thereunder as contained in SEC Regulation SE, BSEF hereby certifies that the Rulebook Amendment complies with the SEA. There were no substantive opposing views expressed to the proposal.

Exhibit B provides the amendment to the applicable Rulebook chapters in redline format.

BSEF certifies that this submission has been concurrently posted on the BSEF website at <https://www.bloomberg.com/professional/products/trading/trading-venues/swap-execution-facility/sbsef-compliance/>. BSEF certifies that this Rulebook Amendment has been concurrently posted on BSEF’s website at <https://www.bloomberg.com/professional/product/sef-compliance/>.



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Please contact the undersigned at (212) 617-7331 with any questions regarding this Rulebook Amendment.

Very truly yours

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Enclosure

EXHIBIT A

Rulebook Chapter	Amendment Explanation	Explanation and Analysis of the operation, purpose, and effect of the proposed rule or rule amendment and its compliance with applicable provisions of the SEA, including core principles, and the Commission’s regulations thereunder.
<p>Chapter 1. Definitions</p>	<ul style="list-style-type: none"> • Remove the term “Disclosed Order Book” • Remove the term “Draft Notice of Charges” • Non-substantive updates to the definition of the term “Final Disciplinary Action” • Non-substantive updates to the definition of the term “SBSDR” • Non-substantive updates to the definition of the term “SBSDR Reportable Trade” • Clarify that SEC Notices to Participants filed under Regulations 242.806 or 242.807 and posted on BSEF’s website constitute Rules of the SBSEF operated by BSEF. 	<ul style="list-style-type: none"> • Core Principle 2 (Compliance with rules): BSEF believes that the Rule Amendments establish rules governing the operation of the facility, and provide additional clarity for Participants operating on the venue.
<p>CHAPTER 4. Obligations of Participants, Account Managers, Authorized Traders and Supervised Persons</p>	<ul style="list-style-type: none"> • RULE 409.A. Participant and Clearing Member Books and Records (g) Requiring the furnishing of information regarding the component or components of a Package Transaction if such component 	<ul style="list-style-type: none"> • Core Principle 2 (Compliance with rules): BSEF believes that the Rule Amendments establish rules governing the operation of the facility, and provide additional clarity for Participants operating on the venue regarding their record keeping obligations. • Core Principle 5 (Ability to obtain information): BSEF believes that the Rule Amendments allow the facility to obtain any necessary information

	<p>or components are not executed on or pursuant to the Rules of the SBSEF operated by BSEF, but are related to a Trade executed on or pursuant to the Rules of the SBSEF operated by BSEF.</p>	<p>to support the reporting requirements of the SEC regulations.</p>
<p>Chapter 5. Trading Practices, Reporting, Clearing and Business Conduct</p>	<ul style="list-style-type: none"> • RULE 522.B. Permitted Transactions Removed the references to Disclosed Order Book for Permitted Transactions because BSEF will no longer offer this method of execution for Permitted Transactions in reliance on an SEC Staff Letter. • RULE 522.C. Package Transactions (b) Revised to expand permitted execution methods. • RULE 524. Order Entry Requirements Requiring information to be accurate and complete when submitted. • RULE 524.A. General Add requirement to identify Offsetting Trades and Correcting Trades. • RULE 531.B. Trade Correction Requiring each Participant involved in an Offsetting Trade or Correcting Trade executed outside the SBSEF Platform must record and retain the time of execution to the nearest minute. 	<ul style="list-style-type: none"> • Core Principle 2 (Compliance with rules): BSEF believes that the Rule Amendments establish rules governing the operation of the facility, and provide additional clarity for Participants operating on the venue. • Core Principle 4 (Monitoring of trading and trade processing): BSEF has determined that its trade surveillance/monitoring and processing functions will remain accurate by reviewing permitted venue activity with respect to trades executed outside the SEF platform. • Core Principle 5 (Ability to obtain information): BSEF believes that the Rule Amendments allow the facility to obtain any necessary information with respect to trades executed outside the SEF platform. • Core Principle 9 (Timely publication of trading information): BSEF believes that the Rule Amendments establish rules governing the operation of the facility, and provide additional clarity for Participants operating on the venue as it pertains to reporting obligations to the SBSDR.

	<ul style="list-style-type: none">• RULE 531.C. Covered Package Transactions and Permitted Transactions Requiring each Participant involved in a Covered Package Transaction or a Permitted Transaction executed outside the SBSEF Platform must record and retain the time of execution to the nearest minute.• RULE 532. Reporting to an SBSDR<ul style="list-style-type: none">(b) Requiring a Participant that is involved into a Trade in Non-Cleared SB Swaps shall promptly notify BSEF if a Reporting Side to a Trade has an indirect counterparty (as defined in Regulation SBSR) that is an SB Swap Dealer, Major SB Swap Participant, U.S. Person or Person described in SEC Regulation 242.908(b)(5).(f) Requiring if an error is discovered in an SB Swap transaction report submitted to an SBSDR either by BSEF or a Participant, (i) BSEF shall submit to the SBSDR the corrected data for a SBSDR Reportable Trade, and (ii) a Reporting Side shall submit to the SBSDR the corrected data for a Trade that is not a SBSDR Reportable Trade as	
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	<p>required by Regulation SBSR applicable to such Reporting Side. Additional non-substantive revisions.</p>	
<p>CHAPTER 6. Disciplinary Rules</p>	<ul style="list-style-type: none"> • RULE 601. General (d) Non-substantive revisions. • RULE 605. Review of Investigation Reports Removing subparts (c) and (d) regarding the availability of Draft Notice of Charges). Additional non-substantive revisions. • RULE 612. Settlements (a) Revising the time the CCO must review an offer of settlement to within sixty (60) business days after receipt of the offer of settlement. Additional non-substantive revisions. • RULE 617. Decision of Disciplinary Panel (c) Clarified when decision becomes final. • RULE 618. Sanctions subsection (b) Non-substantive revisions. • RULE 620. Right to Appeal Disciplinary Panel Decision, Summary Impositions of Fines and Other Summary Actions (m) Non-substantive revisions. 	<ul style="list-style-type: none"> • Core Principle 2 (Compliance with rules): BSEF believes that the Rule Amendments establish rules governing the operation of the facility, and provide additional clarity for Participants operating on the venue regarding BSEF disciplinary process.

	<ul style="list-style-type: none">• RULE 621. Summary Imposition of Fines (b) Non-substantive revisions.• RULE 623. Notification of Customer Final Disciplinary Action Involving Financial Harm to a Customer Non-substantive revisions.• RULE 624. Notice to the Respondent and SEC (a) Non-substantive revisions.	
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Exhibit B

BLOOMBERG SEF LLC RULEBOOK

SECURITY-BASED SWAP EXECUTION FACILITY

~~AUGUST 28~~ JUNE 18, 2025 2026

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CHAPTER 1. DEFINITIONS

When used in the Rules the following terms shall have the respective meanings as follows:

* * * * *

~~“**Disclosed Order Book**” means an Order Book that permits a Participant to transact on a bid or offer posted by another Participant by sending an Order to the Participant that posted such bid or offer. All bids and offers in the Disclosed Order Book are indicative. For Non-Cleared SB Swaps a Participant can transact on a bid or offer only if it has entered into a Non-Cleared SB Swap Agreement with a Participant posting a bid or offer.~~

* * * * *

~~“**Draft Notice of Charges**” has the meaning set forth in Rule 605(c).~~

* * * * *

~~“**Final Disciplinary Action**” means any decision by or settlement with BSEF in a disciplinary matter, or access denial action, which cannot be further appealed with BSEF, ~~is not subject to the stay of the SEC or a court of competent jurisdiction and has not been reversed by the SEC or any court of competent jurisdiction.~~~~

* * * * *

“**Rules**” means the rules of the SBSEF operated by BSEF and interpretations, resolutions, orders, directives and procedures thereunder as in effect from time to time.

“**SBSDR**” means a security-based swap data repository, as defined in Section 3a(75) of the Exchange Act.

“**SBSDR Reportable Trade**” means (i) any Trade in a Cleared SB Swap or (ii) any Trade that a registered SBSEF is required to report under SEC Regulation 242.901(a)(2)(ii)(E)(4).

“**SB Swap**” has the meaning set forth in Section 3a(68) of the Exchange Act and as further defined by the SEC, which is listed on the SBSEF operated by BSEF in accordance with SEC Regulation 242.

“**SB Swap Contract Specification**” means, with respect to any SB Swap, the Rules or other trading protocols containing specifications for such SB Swap, as adopted, amended, supplemented or otherwise modified from time to time by BSEF.

“**SB Swap Dealer**” has the meaning set forth in Section 3a(71) of the Exchange Act.

~~“**SBSDR**” means a security-based swap data repository, as defined in Section 3a(75) of the Exchange Act.~~

~~“**SBSDR Reportable Trade**” means (i) any Trade in a Cleared SB Swap or (ii) any Trade that a registered SBSEF is required to report under SEC Regulation 242.901(a)(2)(ii)(E)(4).~~

* * * * *

The following rules of construction shall apply to the Rules:

(a) the headings in the Rules are for convenience only and do not affect the construction of the Rules;

(b) all references to time in the Rules are to local time in New York, New York, except where expressly provided otherwise;

(c) in the Rules, words denoting a singular number include the plural number where the context permits and vice versa;

(d) where the context permits or requires, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(e) forms of the word “include” mean that the inclusion is not limited to the items listed;

(f) “or” is disjunctive but not exclusive; ~~and~~

(g) references in the Rules to statutory provisions include those provisions as amended, and any rules or regulations promulgated thereunder; ~~and~~

(h) all Notices to Participants filed with the SEC under SEC Regulation 242.806 or SEC Regulation 242.807 and posted by the SBSEF operated by BSEF on BSEF’s website constitute a Rule of the SBSEF operated by BSEF.

CHAPTER 4. OBLIGATIONS OF PARTICIPANTS, ACCOUNT MANAGERS, AUTHORIZED TRADERS AND SUPERVISED PERSONS

* * * * *

RULE 409.A. Participant and Clearing Member Books and Records

(a) Each Participant, Clearing Member and market participant shall prepare and keep current all books, ledgers and other similar records relating to SBSEF Activity required to be kept by it pursuant to the Exchange Act, SEC Regulations and the Rules and shall prepare and keep current such other books and records relating to SBSEF Activity and adopt such forms as BSEF may from time to time prescribe. Such books and records shall be made available, upon request, to BSEF, the SEC, the Department of Justice or any Governmental Body, regulator or Self-Regulatory Organization with jurisdiction over BSEF, and their respective authorized representatives.

(b) In addition to information required by paragraph (a) of this Rule 409, each Participant, Clearing Member and market participant must comply with all applicable recordkeeping and retention requirements of the SEC Regulations.

(c) If a Participant cannot enter an Order or Request for Quote received from its Customer into the SBSEF Platform, the Participant must immediately create an electronic record that includes the account identifier that relates to the Customer Account, time of receipt, and terms of the Order or Request for Quote.

(d) As required by SEC Regulation 242.821(e), each Participant, Clearing Member and market participant, as applicable, must keep records of their trading pursuant to the Rules (including records of its activity in the underlying asset, and related derivatives markets) and make such records available, upon request, to BSEF, the SEC or any Governmental Body, any Self-Regulatory Organization with jurisdiction over BSEF, and their respective authorized representatives.

(e) Each Participant, Clearing Member and market participant shall keep all books and records required to be kept by it pursuant to the Rules for a period of five (5) years from the date on which they are first prepared unless otherwise provided in the Rules or such longer time as required by Applicable Law. Such books and records shall be readily accessible during the first two (2) years of such five (5) year period. During such five (5) year period, all such books and records shall be made available for inspection by, and copies thereof shall be delivered to, BSEF and its authorized representatives upon request.

(f) Each Participant and Authorized Trader shall provide the Regulatory Services Provider with the same access to its books and records and offices as it is required to provide BSEF under the Rules and Applicable Law.

(g) BSEF may require a Participant, Clearing Member and market participant to furnish such information concerning the Participant or Clearing Member's business that is subject to the Rules as BSEF deems necessary to enable it to perform its obligations under Applicable Law, including information relating to: (i) SB Swaps executed pursuant to the Rules and in related derivatives markets, including in the products underlying those SB Swaps, ~~and~~ (ii) [information regarding the component or components of a Package Transaction if such component or components are not executed on or pursuant to the Rules of the SBSEF operated by BSEF, but are related to a Trade executed on or pursuant to the Rules of the SBSEF operated by BSEF;](#) and (iii) information requested by a government agency relating

to the SBSEF operated by BSEF and/or BSEF's compliance with Applicable Law that BSEF believes is maintained by, or otherwise in the possession of, a Participant or Clearing Member.

(h) All data and information provided to or obtained by BSEF pursuant to this Rule 409 shall be subject to the provisions of Rule 805.

(i) **[Reserved]**

(j) Participants and ISVs that operate systems that route orders to the SBSEF Platform are responsible for maintaining or causing to be maintained a routing/front-end audit trail for all Orders, which shall include Order entry, modification and cancellation and any SBSEF Platform responses to such messages. For executed Orders, such audit trail must record the execution time of the Trade, along with all fill information. Participants and ISVs shall maintain audit trail information as required by Applicable Law and must have the ability to produce audit trail data in a reasonably usable format upon request of BSEF. BSEF will enforce these audit trail and recordkeeping requirements by conducting an annual review of all Participants to verify their compliance with BSEF's audit trail and recordkeeping requirements.

CHAPTER 5. TRADING PRACTICES, REPORTING, CLEARING AND BUSINESS CONDUCT

* * * * *

RULE 522.B. Permitted Transactions

The following execution methods are available for Permitted Transactions:

(a) Anonymous CLOB for cleared Permitted Transactions;

~~(b) Disclosed Order Book for uncleared Permitted Transactions;~~

~~(e)(b)~~ RFQS (including RFQS to only one other Participant) for cleared and uncleared Permitted Transactions; and

~~(d)(c)~~ RFQT (including RFQT to only one other Participant) for cleared and uncleared Permitted Transactions.

RULE 522.C. Package Transactions

(a) Other than as set forth in Rule 522.C(b), a Package Transaction or a component of a Package Transaction that is a Required Transaction must be executed as provided in Rule 522.A.

(b) A Covered Package Transaction or a component of a Covered Package Transaction that is a Required Transaction may be executed using ~~RFQT in accordance with SEC Regulation 242.815(d)~~ any execution method described in Rule 522.B.

* * * * *

RULE 524. Order Entry Requirements

(a) All information required to be provided by a Participant by Rules 524, 524.A and 524.B must be accurate and complete as of the time of its submission to the SBSEF operated by BSEF.

RULE 524.A. General

Each Authorized Trader entering an RFQ or Order with respect to any SB Swap must include with the Order, as applicable:

(a) The Trader ID;

(b) The Participant ID;

(c) The Legal Entity Identifier of the Participant placing the RFQ or Order;

(d) The Counterparty's Legal Entity Identifier;

(e) The SB Swap description or code;

- (f) The price or spread, upfront payment, fixed rate, yield, quantity, maturity or expiration date of the SB Swap;
- (g) Side of the Order;
- (h) The CTI code;
- (i) Trading Profile and any other information required to be collected by BSEF;
- (j) A yes/no indication of whether the Counterparty is an SB Swap Dealer with respect to the SB Swap with respect to which the Order is placed;
- (k) A yes/no indication of whether the Counterparty is a Major SB Swap Participant with respect to the SB Swap with respect to which the Order is placed;
- (l) A yes/no indication of whether the Counterparty is a Financial Entity;
- (m) A yes/no indication of whether the Counterparty is a U.S. Person;
- (n) [Reserved]
- (o) [Reserved]
- (p) [Reserved]
- (q) An indication of whether the SB Swap is a leg of a Covered Package Transaction;
- (r) If applicable, other terms of an SB Swap that is not a Cleared SB Swap required by the SBSEF operated by BSEF (*e.g.*, type of Clearing Exception);
- (s) If the SB Swap is a Cleared SB Swap:
 - (i) An indication that the SB Swap will be cleared; and
 - (ii) The full legal name of a Clearing House where the SB Swap is intended to be cleared; and
 - (iii) The Clearing Account Identifier(s) for a Clearing House where the SB Swap is intended to be cleared;
- (t) If the SB Swap will be subject to Allocation:
 - (i) An indication that the SB Swap will be Allocated; and
 - (ii) If the SB Swap is intended to be cleared and allocated pre-execution, the Legal Entity Identifier for each Account that will receive Allocations and the Clearing Account Identifier for a Clearing House where each Allocation is intended to be cleared;
- (u) If the Counterparty to an SB Swap is a Prime Broker:
 - (i) An indication that the Counterparty is a Prime Broker;

(ii) The LEI of each Prime Broker; and

(iii) For each Prime Broker, the information required by paragraphs (j) through (m), as applicable, of this Rule; and

(v) If a Trade is not subject to Allocation and the Participant is not a Counterparty to the Trade:

(i) The LEI of the Counterparty; and

(ii) The information required by paragraphs (j) through (m), as applicable, of this Rule with respect to such Counterparty;

(w) If a Trade is intended to offset an existing Error Trade, an indication that the Trade is an Offsetting Trade; and

(x) If a Trade is intended to correct an existing Error Trade, an indication that the Trade is a Correcting Trade.

* * * * *

RULE 531.B. Trade Correction

If permitted by Rule 516, two Participants may pre-arrange an Offsetting Trade and/or Correcting Trade. Each Participant involved in an Offsetting Trade or Correcting Trade executed outside the SBSEF Platform must record and retain the time of execution to the nearest minute.

RULE 531.C. Covered Package Transactions and Permitted Transactions

(a) Two Participants may pre-arrange a Covered Package Transaction subject to the Rules outside the SBSEF Platform; provided, however, that each component of such Covered Package Transaction that is a Required Transaction must be executed on the SBSEF Platform via RFQT. Each Participant involved in a Covered Package Transaction executed outside the SBSEF Platform must record and retain the time of execution to the nearest minute.

(b) Two Participants may pre-arrange a Permitted Transaction subject to the Rules outside the SBSEF Platform, provided, however, that such Permitted Transaction must be executed on the SBSEF Platform via RFQT. Each Participant involved in a Permitted Transaction executed outside the SBSEF Platform must record and retain the time of execution to the nearest minute.

RULE 532. Reporting to an SBSDR

(a) BSEF will report each SBSDR Reportable Trade to an SBSDR after the execution of such SBSDR Reportable Trade as required by Regulation SBSR, and as applicable, information specific to a Trade that BSEF is required to submit by a Governmental Body with jurisdiction over a Participant that executed the Trade (the “Other Reporting Authority”). With respect to each SBSDR Reportable Trade, BSEF will report all information required to be reported by an SBSEF by Regulation SBSR, the Other Reporting Authority and the rules and specifications of an SBSDR. For any SBSDR Reportable

Trade subject to Allocation prior to or after execution, BSEF will report to SBSDR only the bunched SBSDR Reportable Trade and will not report any SB Swaps resulting from the Allocation.

(b) ~~[Reserved]~~ A Participant that is involved into a Trade in Non-Cleared SB Swaps shall promptly notify BSEF if a Reporting Side to a Trade has an indirect counterparty (as defined in Regulation SBSR) that is an SB Swap Dealer, Major SB Swap Participant, U.S. Person or Person described in SEC Regulation 242.908(b)(5).

(c) [Reserved]

(d) [Reserved]

(e) Each Participant that is the Reporting Side, or an Account Manager or Broker-Dealer for a Reporting Side shall review the SBSDR Reportable Trade details as soon as technologically practicable upon transmission of the SBSDR Reportable Trade details to the Participant. The non-Reporting Side shall report any errors in such SBSDR Reportable Trade details to the Reporting Side as soon as technologically practicable. The Reporting Side shall report all errors in such SBSDR Reportable Trade details to BSEF as soon as technologically practicable after finding or being made aware of any error or omission in the data as reported and/or maintained by the relevant SBSDR. ~~BSEF shall then submit the corrected data to the SBSDR.~~

(f) ~~[Reserved]~~ If an error is discovered in an SB Swap transaction report submitted to an SBSDR either by BSEF or a Participant, (i) BSEF shall submit to the SBSDR the corrected data for a SBSDR Reportable Trade, and (ii) a Reporting Side shall submit to the SBSDR the corrected data for a Trade that is not a SBSDR Reportable Trade as required by Regulation SBSR applicable to such Reporting Side.

(g) BSEF will report all SBSDR Reportable Trades to Data Repository (U.S.) LLC.

CHAPTER 6. DISCIPLINARY RULES

RULE 601. General

(a) Any Person is subject to this Chapter 6 if such Person is alleged to have violated, to have aided and abetted a violation, to be violating, or to be about to violate, any Rule or any provision of Applicable Law for which BSEF possesses jurisdiction.

(b) BSEF, through the Compliance Department, the Disciplinary Panel and the Appeals Panel, will conduct inquiries, investigations, disciplinary and appeals proceedings, summary impositions of fines, summary suspensions or other summary actions in accordance with this Chapter 6.

(c) No SBSEF Official will interfere with or attempt to influence the process or resolution of any inquiry, investigation, disciplinary or appeals proceeding, summary imposition of fines, summary suspension or other summary action, except to the extent provided under the Rules with respect to a proceeding in which the SBSEF Official is a member of the relevant panel.

(d) Any Person that is served with a Notice of Charges under Rule 601 ~~or a Draft Notice of Charges~~ may be represented by counsel or any other representative of its choosing in all succeeding stages of the disciplinary process pursuant to this Chapter 6, except by any member of BSEF's Board or Disciplinary Panel, any SBSEF Employee, or any Person substantially related to the underlying investigation(s), such as a material witness or respondent.

(e) Pursuant to this Chapter 6, BSEF may hold a Participant liable for, and impose sanctions against such Participant, for such Participant's own acts and omissions that constitute a violation as well as for the acts and omissions of each (i) Authorized Trader of such Participant, (ii) Supervised Person of such Participant, (iii) other Person using the Trader ID or login credentials linked to the Participant or Participant ID, or (iv) other agent or representative of such Participant, in each case, that constitute a violation as if such violation were that of the Participant.

(f) Pursuant to this Chapter 6, BSEF may hold an Authorized Trader liable for, and impose sanctions against them, for such Authorized Trader's own acts and omissions that constitute a violation as well as or for the acts and omissions of any other agent or representative of such Authorized Trader that constitute a violation as if such violation were that of the Authorized Trader.

(g) A Person subject to a Disciplinary Panel or Appeals Panel proceeding (and any counsel or representative of such Person) and the Compliance Department (and any counsel or representative of the Compliance Department including the Regulatory Services Provider) shall not knowingly make or cause to be made an ex parte communication relevant to the merits of a disciplinary or appeals proceeding to any member of the Disciplinary Panel or Appeals Panel hearing such proceeding. Members of a Disciplinary Panel or Appeals Panel shall not knowingly make or cause to be made an ex parte communication relevant to the merits of a disciplinary or appeals proceeding to any Person subject to such proceeding (and any counsel or representative of such Person) and the Compliance Department (and any counsel or representative of the Compliance Department including the Regulatory Services Provider). Any Person who receives, makes or learns of any communication which is prohibited by this Rule shall promptly give notice of such communication and any response thereto to the Compliance Department and all parties to the proceeding to which the communication relates. A Person shall not be

deemed to have violated this Rule if the Person refuses an attempted communication concerning the merits of a proceeding as soon as it becomes apparent the communication concerns the merits.

(a) In the event that the CCO has a material conflict of interest, as defined in Rule 210(b) in respect of any matter under Chapter 6 of the Rules, the CCO may appoint a member of the Compliance Department to carry out the CCO's duties instead with respect to that matter. If such designee of the CCO is conflicted, then the Regulatory Oversight Committee shall appoint a member of the Compliance Department to carry out such duties in lieu of the CCO's designee.

* * * * *

RULE 605. Review of Investigation Reports

(a) The CCO will timely review each investigation report received from the Compliance Department to determine whether a reasonable basis exists for finding that a violation of the Rules within BSEF's jurisdiction has occurred or is about to occur. Within thirty (30) business days of receipt of the investigation report the CCO must take one of the following actions:

(i) If the CCO determines that additional investigation or evidence is needed to decide whether a reasonable basis exists to find that a violation of the Rules within BSEF's jurisdiction has occurred or is about to occur, the CCO will promptly direct the Compliance Department to do at least one of the following:

(A) Conduct further investigation; and/or

(B) Gather any necessary new or additional information or evidence from the potential respondents.

(ii) The Compliance Department will revise the investigation report as necessary to reflect the additional information gathered pursuant to this paragraph (a) and will resubmit a revised proposed investigation report to the CCO.

(b) After receiving a completed investigation report, the CCO will determine for each potential respondent whether to:

~~(i) Refer the matter to the Disciplinary Panel for further determination;~~

~~(ii)(i)~~ Authorize the commencement of disciplinary proceedings because a reasonable basis exists to believe that a violation of the Rules within BSEF's jurisdiction has occurred or is about to occur and adjudication is warranted;

~~(iii)(ii)~~ Authorize the summary disposition of the investigation because disciplinary proceedings are unwarranted, including issuance of a warning letter; or

~~(iv)(iii)~~ Authorize the closing of the investigation without any action because no reasonable basis exists to believe that a violation of the Rules within BSEF's jurisdiction has occurred or is about to occur; in each case the CCO shall complete the investigation report in compliance with Rule 603.

~~(e) — If the CCO determines that disciplinary proceedings should be authorized pursuant to Rule 605(b)(i), the CCO may in their discretion provide each potential respondent with a Written draft Notice of Charges (“Draft Notice of Charges”) which shall contain all information required pursuant to Rule 607.~~

~~(d) — The Draft Notice of Charges must be accompanied by a Written notice that shall inform the potential respondent:~~

- ~~(i) That an investigation report has been completed by the Compliance Department;~~
- ~~(ii) That a Notice of Charges will be served, in accordance with Rule 608, ten (10) business days after receipt of the Written notice;~~
- ~~(iii) That a settlement offer may be submitted pursuant to Rule 612; and~~
- ~~(iv) Of the respondent’s right to a hearing if a Notice of Charges is served in accordance with Rule 608.~~

* * * * *

RULE 612. Settlements

(a) Any offer of settlement should contain proposed findings and sanctions and be signed by a potential respondent/respondent and submitted to the CCO. A potential respondent/respondent may offer to settle disciplinary proceedings without admitting or denying the findings contained in a ~~Draft Notice of Charges~~ or a Notice of Charges, but must accept the jurisdiction of BSEF over it and over the subject matter of the proceedings and consent to the entry of the findings and sanctions imposed.

~~(b) — A potential respondent may at any time within ten (10) business days of receipt of the Draft Notice of Charges specified in Rule 605, or at a later date as determined by the CCO in their reasonable discretion, propose in Writing an offer of settlement to anticipated disciplinary proceedings. The CCO must review an offer of settlement received pursuant to this paragraph (b) within thirty (30) business days after receipt of the offer of settlement. The CCO shall have discretion and be authorized to accept or reject an offer of settlement for \$100,000 or less for each violation on behalf of BSEF. The CCO is authorized to convene and forward the offer of settlement to the Disciplinary Panel with a recommendation on whether to accept or reject the offer of settlement. The potential respondent may withdraw such offer of settlement at any time before acceptance by the CCO.~~

(b) [reserved]

(c) A respondent may at any time after receipt of a Notice of Charges, but before disciplinary proceedings have concluded, propose in Writing an offer of settlement to instituted disciplinary proceedings. If a respondent submits The CCO must review an offer of settlement after being served a Notice of Charges pursuant to Rule 608, the CCO will within sixty (60) business days after receipt of the offer of settlement. The CCO shall have discretion and be authorized to accept or reject an offer of settlement for \$100,000 or less for each violation on behalf of BSEF. The CCO is authorized to convene and forward the offer of settlement to the Disciplinary Panel with a recommendation on whether to accept or reject the offer of settlement. The Disciplinary Panel must review an offer of settlement received pursuant to this paragraph (c) or paragraph (b) above within ninety (90) business days, after the receipt of the offer of settlement by the CCO Disciplinary Panel unless an extension was agreed by the

respondent in Writing. The respondent may withdraw such offer of settlement at any time before final acceptance by the [CCO or the Disciplinary Panel](#), as applicable. The Disciplinary Panel may review the offer of settlement and determine whether to accept or reject the offer of settlement in person, telephonically or in Writing.

(d) The Disciplinary Panel may accept an offer of settlement received pursuant to paragraph (b) or (c) of this Rule 612, respectively, but may not alter the terms of a settlement offer unless the potential respondent/respondent agrees.

(e) If an offer of settlement is accepted by the CCO or the Disciplinary Panel, a Written decision shall be issued by the CCO or the Disciplinary Panel, specifying:

(i) The Rule violations the Compliance Department/it has reason to believe were committed, including the basis or reasons of its conclusions;

(ii) Any sanction to be imposed, which must include full customer restitution where customer harm has been demonstrated; and

(iii) If applicable, that the potential respondent/respondent has accepted the sanctions imposed without either admitting or denying the Rule violations.

(f) In the event the Disciplinary Panel accepts an offer of settlement without the agreement of the Compliance Department, the Written decision must adequately support such acceptance.

(g) If an offer of settlement is accepted pursuant to this Rule and the related Written decision becomes final, the respondent's submission of the offer of settlement will be deemed to constitute a waiver of the right to notice, opportunity for a hearing and review and appeal under the Rules.

(h) If an offer of settlement of a potential respondent/respondent is not accepted by the CCO or the Disciplinary Panel, pursuant to paragraph (b) or (c) of this Rule, respectively, fails to become final or is withdrawn by the potential respondent/respondent, the matter will proceed as if the offer of settlement had not been made and the offer of settlement and all documents relating to it will not become part of the record. Neither a potential respondent/respondent nor the Compliance Department may use an unaccepted offer of settlement as an admission or in any other manner at a hearing of disciplinary proceedings.

* * * * *

RULE 617. Decision of Disciplinary Panel

(a) Promptly following the hearing, the Disciplinary Panel shall render a Written decision based upon the weight of the evidence contained in the record of the proceeding. The decision shall include:

(i) The Notice of Charges or a summary of the charges;

(ii) The answer, if any, or a summary of the answer;

(iii) A summary of the evidence produced at the hearing or, where appropriate, incorporation by reference of the investigation report;

(iv) A statement of findings and conclusions with respect to each charge, and a complete explanation of the evidentiary and other basis for such findings and conclusions with respect to each charge;

(v) An indication of each specific Rule that the respondent was found to have violated; and

(vi) A declaration of all sanctions imposed against the respondent, including the basis for such sanctions and the effective date of such sanctions.

(b) Upon rendering a decision by the Disciplinary Panel, BSEF shall, within thirty (30) business days thereafter, provide a Written notice of such action to the respondent.

(c) The Written decision [of the Disciplinary Panel](#) will become ~~final~~ [the Final Disciplinary Action](#) twenty (20) business days after it is served on the respondent and a copy thereof is provided to the Compliance Department, ~~except the Written decision shall not become the Final Disciplinary Action as to any respondent that shall have filed a notice of appeal pursuant to Rule 620.~~ BSEF ~~shall~~ [may](#) cause any or all of the Written decision to ~~be final~~ [become the Final Disciplinary Action](#) prior to such date if the CCO reasonably believes that such action ~~pursuant to Rule 806~~ is necessary to protect the best interests of the SBSEF operated by BSEF.

RULE 618. Sanctions

(a) After notice and opportunity for hearing in accordance with the Rules, BSEF will impose sanctions on the respondent, including any Participant, Account Manager, Authorized Trader, Supervised Person, Account, Customer, Clearing Member or other Person using any Trader ID or login credentials linked to the Participant that is found to have violated or to have attempted to violate a Rule. Subject to the limitations set forth in Rule 618(b), BSEF may impose one or more of the following sanctions or remedies: (i) censure; (ii) limitation on Trading Privileges, Trading Access or other activities, functions or operations; (iii) suspension of Trading Privileges or Trading Access; (iv) fine (subject to paragraph (b) below); (v) disgorgement; (vi) termination of Trading Privileges or Trading Access; (vii) in the event of Customer harm, full Customer restitution, except where the amount of restitution or to whom it should be provided cannot reasonably be determined; or (viii) any other sanction or remedy deemed to be appropriate. All sanctions, including those imposed pursuant to an accepted settlement offer, shall take into account respondent's disciplinary history.

(b) BSEF may impose a fine of up to \$100,000 for each violation of a Rule. [The following schedule lists the recommended fines that BSEF may impose:](#)

Type of Violation	Fine Per Occurrence		
	First Violation	Second Violation	Third Violation
Failure to provide information to BSEF as required by the Rules	\$5,000	\$10,000	\$15,000
Impeding or delaying a BSEF examination, inquiry or investigation undertaken pursuant to Rule 402	\$5,000	\$10,000	\$15,000

(c) If a fine or other amount is not paid within thirty (30) business days of the date that it becomes payable, then interest will accrue on the sum from the date that it became payable at the quoted prime rate plus three (3) percent. BSEF has sole discretion to select the bank on whose quotations to base the prime rate. Each Participant will be responsible for paying any fine or other amount imposed on, but not paid by, any of its Authorized Traders, Account Managers, Supervised Persons, Accounts or Customers. ~~The following schedule lists the recommended fines that BSEF may impose:~~

Type of Violation	Fine Per Occurrence		
	First Violation	Second Violation	Third Violation
Failure to provide information to BSEF as required by the Rules	\$5,000	\$10,000	\$15,000
Impeding or delaying a BSEF examination, inquiry or investigation undertaken pursuant to Rule 402	\$5,000	\$10,000	\$15,000

* * * * *

RULE 620. Right to Appeal Disciplinary Panel Decision, Summary Impositions of Fines and Other Summary Actions

(a) Each respondent found by the Disciplinary Panel to have violated (or, in the case of a Participant, whose Authorized Trader, Supervised Person or other Person using its Participant ID was found to have violated) a Rule or who is subject to termination or limitation of Trading Privileges or Trading Access imposed pursuant to Rule 305, any summary fine imposed pursuant to this Chapter 6, or any summary action imposed pursuant to Rule 622 may appeal the decision within twenty (20) business days of receiving the Written decision of the Disciplinary Panel or the notice of summary action, as the case may be, by filing a notice of appeal with the CCO.

(b) BSEF may appeal all or any part of a decision of the Disciplinary Panel, including any sanctions that may or may not have been imposed by the Disciplinary Panel, within twenty (20) business days of receiving the Written Decision of the Disciplinary Panel, by filing a notice of appeal with the CCO.

(c) While an appeal is pending, the effect of the Written decision of the Disciplinary Panel or the summary action (including any sanctions, remedies or costs imposed thereby) shall be suspended.

(d) The notice of appeal must state in writing the grounds for appeal, including the findings of fact, conclusions or sanctions to which the appellant objects. An appellant may appeal the Written decision of the Disciplinary Panel or any summary action on the grounds that:

- (i) The Written decision or summary action was arbitrary, capricious, an abuse of discretion, or not in accordance with the Rules;
- (ii) The Written decision or summary action exceeded the authority or jurisdiction of the Disciplinary Panel, the CCO or BSEF;
- (iii) The Written decision or summary action failed to observe required procedures;

(iv) The Written decision or summary action was unsupported by the facts or evidence; or

(v) The sanctions, remedies or costs which were imposed were inappropriate or unsupported by the record.

(e) The CCO will forward copies of any notice of appeal received by it to all parties to the disciplinary proceeding or summary action, as the case may be, except the appellant. On or before the 20th day after filing a notice of appeal, the appellant must file with the CCO and serve on BSEF a brief supporting the notice of appeal and documents supporting the brief. On or before the 20th day after the date on which the appellant serves its supporting brief, the appellee must file and serve its brief in opposition. On or before the 10th day after the date on which the appellee serves its brief in opposition, the appellant must file and serve on BSEF a brief in reply.

(f) In connection with any appeal, BSEF will furnish to the CCO and to the respondent/appellant a transcript of the hearing, any exhibits introduced at the hearing, the notice of appeal and briefs filed to support and oppose the appeal.

(g) No later than thirty (30) business days after the last submission filed pursuant to paragraph (e) of this Rule 620, the CCO will appoint an Appeals Panel to consider and determine the appeal. If the CCO is conflicted, a designee of the CCO will perform such duties in lieu of the CCO. If the CCO's designee is conflicted, then a member of the Compliance team who is selected by the Regulatory Oversight Committee will perform such duties in lieu of the CCO's designee. An Appeals Panel shall be comprised of three (3) individuals selected by the CCO, and shall include sufficient different groups or classes of Participants so as to ensure fairness and to prevent special treatment or preference for any Person or Participant in the conduct of the responsibilities of the Appeals Panel, as required by SEC Regulation 242.834(d). No member of the Appeals Panel shall be a member of the Compliance Department or have been a member of any Disciplinary Panel involved in the matters on appeal. The chairperson of the Appeals Panel shall be an individual who would not be disqualified from serving as a Public Director. The members of the Appeals Panel shall not disclose for any purpose inconsistent with the performance of such Person's official duties any Material Non-Public Information obtained through special access related to the performance of such duties.

(h) Within ten (10) business days of being notified of the appointment of the Appeals Panel, an appellant or appellee may seek to disqualify any individual named to the Appeals Panel for the reasons identified in the Rules, by serving Written notice on the CCO. By not timely filing a request for disqualification, the appellant or appellee will be deemed to have waived any objection to the composition of the Appeals Panel. The CCO will decide the merits of any request for disqualification within their sole discretion. Any such decision will be final and not subject to appeal.

(i) The appeals proceeding must be conducted before all members of the Appeals Panel. The Appeals Panel may hold a hearing to allow parties to present oral arguments. Any hearing will be conducted privately and confidentially. Notwithstanding the confidentiality of hearings, the Appeals Panel may appoint an expert to attend any hearing and assist in the deliberations if such individual(s) agree to be subject to appropriate confidentiality agreements. In determining procedural and evidentiary matters, the Appeals Panel will not be bound by evidentiary or procedural rules or law.

(j) The Appeals Panel will only consider on appeal the record before the Disciplinary Panel or, in the case of a summary action, the record considered by the CCO, the notice of appeal, the briefs

filed in support and opposition of the appeal, and any oral arguments of the parties. The Appeals Panel may only consider new evidence when the Appeals Panel is satisfied that good cause exists for why the evidence was not introduced during the disciplinary proceeding or when imposing the summary action.

(k) After completing its review, the Appeals Panel may affirm, modify or reverse any Written decision of the Disciplinary Panel or summary action under appeal, in whole or in part, including increasing, decreasing or eliminating any sanction or remedy imposed, imposing any other sanction or remedy authorized by the Rules, or remanding the matter to the same or a different Disciplinary Panel for further disciplinary proceedings or for reconsideration by the CCO in the case of summary action. The Appeals Panel may order a new hearing for good cause or if the Appeals Panel deems it appropriate.

(l) As promptly as reasonably possible following its review, the Appeals Panel will issue a Written decision on appeal rendering its decision based on the preponderance of the evidence before the Appeals Panel and provide the copy of the decision to the respondent. The decision of the Appeals Panel will include a statement of findings of fact and conclusions for each finding, sanction, remedy and cost reviewed on appeal, including each specific Rule and provision of Applicable Law that the respondent is found to have violated, if any, and the imposition of sanctions, remedies and costs, if any, and the effective date of each sanction, remedy or cost. The decision issued by the Appeals Panel will adhere to the requirements of Rule 617(a) to the extent that a different conclusion is reached from that issued by the Disciplinary Panel.

(m) The Appeals Panel's Written decision on appeal (including findings of fact and conclusions and the imposition of sanctions, remedies and costs, and the effective date of any sanction, remedy and cost) will be the final action of BSEF become the Final Disciplinary Action of BSEF when it is served upon the respondent and will not be subject to appeal within BSEF.

RULE 621. Summary Imposition of Fines

(a) The CCO may summarily impose a fine against a Participant, Account Manager, Authorized Trader, Supervised Person, Account, Customer, Clearing Member or other Person using any Trader ID or login credentials linked to the Participant for failing to:

- (i) Make timely payments of fees, cost, charges or fines to BSEF;
- (ii) Make timely and accurate submissions to BSEF of notices, reports or other information required by the Rules; or
- (iii) Keep any books and records required by the Rules.

(b) The Compliance Department, acting on behalf of the CCO, will give notice of any fine imposed pursuant to this Rule 621 to each Participant subject thereto. The notice will specify (i) the violations of the Rules for which the fine is being imposed, (ii) the date of the violation for which the fine is being imposed and (iii) the amount of the fine. Within twenty (20) business days of serving the notice of fine, the Participant must either pay or cause the payment of the fine. The fine will become final upon the expiration of twenty (20) business days after the notice of fine is served on the Participant, Account Manager, Authorized Trader, Supervised Person, Account, Customer, Clearing Member or other Person using any Trader ID or login credentials linked to the Participant.

(c) BSEF will set the amount of any fines imposed pursuant to this Rule 621, with the maximum aggregate amount of summary fines to be assessed for each Rule violation (which may be aggregated in the reasonable discretion of the Disciplinary Panel, CCO or their designee) described below not to exceed \$30,000 on an annual basis. Summary imposition of fines pursuant to this Rule 621 will not preclude BSEF from bringing any other action against the Participant (or any of its Account Managers, Authorized Traders or Supervised Persons) or Authorized Trader, as the case may be. The following schedule lists the recommended summary fines that BSEF or the CCO (or their designee) may impose for each type of violation described below:

Type of Violation	Fine Per Occurrence		
	First Summary Fine	Second Summary Fine	Third Summary Fine
Failure to maintain complete and accurate books and records as required by Rule 409.A (Participant and Clearing Member Books and Records)	\$5,000	\$10,000	\$15,000
Failure to provide any disclosure required by Rule 402 (Required Disclosures to BSEF)	\$5,000	\$10,000	\$15,000
Failure to identify and maintain a current list of Authorized Traders as required by Rule 530 (Identification of Authorized Traders)	\$5,000	\$10,000	\$15,000
Violation of Order entry requirements pursuant to Rule 524 (Order Entry Requirements), including failure to provide an accurate LEI	\$5,000	\$10,000	\$15,000
Violation of Rule 532(e) (Reporting to an SBSDR)	\$5,000	\$10,000	\$15,000
Failure to provide information required by Rule 301(e) (Eligibility Criteria for Becoming a Participant)	\$5,000	\$10,000	\$15,000
Failure to comply with Rules 516.A (Trade Cancellation, Correction, Offset and Adjustment – Cleared SB Swaps), 516.C (Erroneous Trade Cancellation, Correction and Adjustment – Non-Cleared SB Swaps), and 516.D (Prime Broker Trades)	\$5,000	\$10,000	\$15,000

~~(e)~~(d) A Participant is eligible for the summary imposition of fines as described in paragraph (a) of this Rule 621 only if BSEF did not serve on the Participant any Notice of Charges pursuant to Rule 607 that alleges a failure described in paragraphs (a)(i) through (a)(iii) of this Rule 621 for a continuous thirty-six (36) month period (the "**Qualifying Period**").

~~(d)~~(e) A Participant may become re-eligible for summary imposition of fines as described in paragraph (a) of this Rule 621 after the end of the Qualifying Period; provided, however, that BSEF's CCO may in their sole discretion extend the Qualifying Period for any period of time, including indefinitely, where a failure described paragraphs (a)(i) through (a)(iii) of this Rule 621 does not qualify for a summary imposition of fines due to aggravating circumstances, including actions or omissions of a Participant or its Account Manager, Customer or any agent that aggravated such failure.

* * * * *

RULE 623. Notification of Customer Final Disciplinary Action Involving Financial Harm to a Customer

Upon any final disciplinary action, as defined in SEC Regulation 242.819(j) (a “Customer Final Disciplinary Action”), in which BSEF finds that a Participant has committed a Rule violation that involved a transaction for a Customer, whether executed or not, and that resulted in financial harm to the Customer, BSEF shall promptly provide Written notice of the disciplinary action to the Participant, which Notice shall include the principal facts of the disciplinary action and a statement that BSEF has found that the Participant has committed a Rule violation that involved a transaction for the Customer, whether executed or not, and that resulted in financial harm to the Customer. Any Participant that has received such Written notice from BSEF, shall promptly provide Written notice of the Customer Final Disciplinary Action to the Customer, as disclosed on the Participant’s books and records.

RULE 624. Notice to the Respondent and SEC

(a) If BSEF issues a Final Disciplinary Action against a Participant, ~~or takes final action with respect to a denial or conditioning of participation, or takes final action with respect to a denial or limitation of access of a Person to any services offered by the SBSEF operated by BSEF,~~ then BSEF shall file a notice of such action with the SEC within thirty (30) business days and serve a copy on the affected Person.

(b) For purposes of paragraph (a) of this Rule:

(i) A disciplinary action shall not be considered “final” unless:

(A) The affected Person has exhausted their administrative remedies at BSEF; and

(B) The disciplinary action is not a summary action permitted under SEC Regulation 242.819(g)(13)(ii).

(ii) A disposition of a matter with respect to a *denial or conditioning of membership*, or a *denial or limitation of access* shall not be considered “final” unless such Person has exhausted their administrative remedies at BSEF with respect to such matter.

CHAPTER 12. CREDIT CONTRACTS TERMS AND CONDITIONS

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Summary report: Litera Compare for Word 11.12.0.83 Document comparison done on 5/4/2026 10:14:59 AM	
Style name: Rulebook	
Intelligent Table Comparison: Active	
Original filename: SBSEF Rulebook Effective August 28, 2025.docx	
Modified filename: SBSEF Rulebook Effective May XX, 2026.docx	
Changes:	
<u>Add</u>	62
<u>Delete</u>	61
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	1
<u>Table Delete</u>	1
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	125