



**BARCLAYS BESPOKE DISCLOSURE  
COMMODITY FUTURES TRADING COMMISSION RULE 1.55(K)**

**COMMODITY FUTURES TRADING COMMISSION RULE 1.55(k):**

**FCM-SPECIFIC DISCLOSURE DOCUMENT**

The Commodity Futures Trading Commission (Commission) requires each futures commission merchant (FCM), including Barclays Capital Inc. (BCI), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information set out is as of December 31, 2025. BCI will update this information annually and as necessary to take account of any material change to its business operations, financial condition or other factors that BCI believes may be material to a customer’s decision to do business with BCI. Nonetheless, BCI’s business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

NOTE: BCI is a subsidiary of Barclays Group US Inc. (BGUS), which is a subsidiary of Barclays US LLC (IHC LLC). The IHC LLC is an indirect parent entity of BCI and is a wholly-owned subsidiary of Barclays Bank, PLC (BBPLC and together with its subsidiaries Barclays or the Group). BCI’s FCM business forms part of the Investment Banking division of Barclays Group (together with Barclays). Barclays is an international financial services provider engaged in personal banking, credit cards, corporate and investment banking and wealth management. Information that may be material with respect to BCI for purposes of the Commission’s disclosure requirements may not be material to BGUS, IHC LLC or BBPLC for purposes of applicable securities laws.

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## **I. BCI and its Principals**

### *i. Contact Information*

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Website: [www.Barcap.com](http://www.Barcap.com)

### *ii. Designated Self-Regulatory Organization*

BCI's designated self-regulatory organization is the New York Mercantile Exchange (NYMEX), a Designated Contract Market under the Commodity Exchange Act and a subsidiary of CME Group Inc. The NYMEX website address is: <http://www.cmegroup.com/company/nymex.html>

### *iii. Principals*

The below is a brief description of those persons identified as principals of BCI pursuant to CFTC Rule 3.1(a). Please note that although defined as a "Principal" under CFTC rules, a person may have little or no day-to-day control or involvement with the FCM activities of BCI. For example, CFTC Rule 3.1(a) defines any director of BCI as a principal of BCI, even if such person is not involved in the FCM business of BCI.

#### **Sebastian Bennett**

Director, Chief Executive Officer, FCM  
745 Seventh Ave  
New York, NY 10019, USA

Sebastian Bennett is the CEO of the FCM and responsible for the Clearing Management function within Prime Derivatives Services, covering Futures & Options, OTC Clearing, and FX Prime Brokerage.

Mr Bennett joined Barclays in 2009, based in London, and worked in the Collateral Management function within Operations. In 2010 he transferred into the Prime Services division, focusing on Cleared IRS & CDS product development and client technical solutions during the build out of the European OTC Clearing business. In 2014 he took on Clearing Management responsibilities for Futures & Options and OTC Clearing and then, in 2015, FX Prime Brokerage, encompassing product and business development, client solutions and integration, and business management. In 2016 he relocated to New York to take up his current position in the US Clearing Management team within the FCM.

Before joining Barclays, Mr Bennett worked for two years at Accenture in the Business Process Outsourcing group. Mr Bennett received a BA(Hons) in English Literature with Classics from The University of Leeds.

**Kenny Ly**

Director, FCM Treasury  
745 Seventh Avenue  
New York, NY 10019, USA

Kenny Ly is a Director at Barclays. He is currently the Americas' FCM Treasurer within the Prime Services and has over 20 years of experience in the Financial sector spanning Finance, Front Office, Treasury and Regulatory focused roles.

Kenny began his career in Finance with Morgan Stanley and then joined UBS where he spent 3 years as a business unit controller. He also served as a business manager for the UBS' derivatives clearing business and managed their FCM Treasury team for 5 years. Upon joining Barclays in 2014, he was a key member of Barclays' Recovery and Resolution Planning (RRP) team responsible for Barclay's Fed/FDIC's "Living Wills" submission. He served as the engagement lead for the Market's businesses and Central Treasury teams. He was tasked with drafting Barclays' trading inventory wind-downs and Treasury related capabilities for the submission. In 2021, Kenny transferred into the Prime Derivatives Services (PDS) team as a product manager focusing on enhancing PDS Treasury capabilities which led to him assuming the leadership role for FCM Treasury function in 2022.

Kenny received a BS/BA from New York University, Stern School of Business with a double major in Marketing / Finance and a minor in East Asian Art.

**Carol Mathis**

Managing Director, Chief Financial Officer (CFO), Americas and IHC  
745 Seventh Avenue  
New York, NY 10019 USA

Carol Mathis is Chief Financial Officer (CFO) of Barclays Americas and the IHC, overseeing Finance, Tax and Treasury in the region. In this capacity, Carol also serves as CFO for Barclays Capital Inc. (BCI).

Prior to joining Barclays on December 31, 2020, Carol spent two years at MUFG as the Regional CFO for their Wholesale Bank supporting the Americas Corporate & Investment Banking, Markets, and Transaction Banking businesses.

Carol began her career at PricewaterhouseCoopers (PwC) in New York where she became a partner in their Capital Markets Assurance division. She left PwC to join RBS as the Chief Financial Officer for their Fixed Income division and during her tenure took on responsibility for the entire Americas Corporate & Investment Bank, including the Commodities joint venture with Sempra Energy. During her final three years at RBS, Carol served as the Regional Chief Operating Officer where she oversaw the Americas Controls & Supervision, Technology and Operations teams in addition to Finance.

Carol is a seasoned CFO with significant experience leading teams across Finance, Treasury, Operations and Technology, and has a successful track record of managing large scale change.

**Anthony Mayer**

Managing Director, Chief Risk Officer (CRO), Americas and IHC  
745 Seventh Avenue  
New York, NY 10019 USA

Anthony Mayer is Chief Risk Officer (CRO) of Barclays Americas and the IHC, overseeing all financial and non-financial Risks in the region. In this capacity, Anthony also serves as CRO for Barclays Capital Inc. (BCI).

Since joining Barclays in 2008, Anthony has held multiple roles across Technology, Market Risk and Treasury & Capital Risk. This included risk management of the money markets desks and liquid asset buffer investments for Barclays Group. Anthony was instrumental in the establishment of Barclays Europe, from risk management of the 2016 referendum, through obtaining the banking license in Europe and establishing the entity, culminating in being the Barclays Europe CRO between 2023-25.

Prior to joining Barclays Anthony worked at UBS in technology, and before that had an academic career at Imperial College London, with multiple publications.

**Claire O'Connor**

Managing Director, Head of Loan Capital Markets & Acquisition Finance  
745 Seventh Ave  
New York, NY 10019, USA

Claire O'Connor is a Managing Director and Head of Loan Capital Markets & Acquisition Finance in the Americas at Barclays. She is responsible for the origination and structuring of corporate and acquisition financings for major corporate clients, and has led a number of the largest global capital raises in the industry. She is a member of the Board of Directors of Barclays Capital Inc., Barclays's broker-dealer subsidiary, chairs the Investment Bank's Capital Commitment Committee and the Investment Banking Distribution Committee.

Claire joined Barclays in 2008. Prior to joining Barclays, Claire built and led the Acquisition Finance business for Lehman Brothers, which she joined in 2005 from JPMorgan. At JPMorgan, she held a variety of positions in Loan Syndications, Retail sector banking coverage, Asset-Backed Securities and Sovereign Debt Restructuring. Claire spent 27 years at JPM and predecessor banks, including Chemical Bank and Chase.

**Daniel Simeonov**

Head of FCM Risk Management Unit  
745 Seventh Avenue  
New York, NY 10019, USA

Daniel D. Simeonov is a Vice President, based in New York. He is part of the regional Credit Portfolio Risk Management team and is responsible for monitoring, reporting and presenting reviews of Mandate & Scale Credit Risk limits, exposures and credit quality MI reporting, credit risk appetite, and governance as related to counterparty credit risk frameworks, policies, and standards. Mr. Simeonov joined Barclays in 2014. Between 2014 and 2015 he was Team Lead of the Glasgow, UK based Global Portfolio Reporting team, where he was responsible for aggregating and presenting Barclays' counterparty and wholesale credit exposure globally, including risk related to interest rate, credit default swaps and foreign exchange intermediation.

Prior to joining Barclays, Mr. Simeonov was the Head of Market Risks Department at Societe Generale's Bulgarian subsidiary. Prior to joining Societe Generale he served tenures in the central bank of the Republic of Bulgaria, part of ESCB, as Risk Analyst and Portfolio Manager for the foreign exchange reserves of the country. He has over 10 years of experience in capital markets, including managing bond, futures, and gold portfolios and designing, evolving, and managing enterprise risk limit frameworks and MI reporting for subsidiaries of global financial institutions.

Mr. Simeonov received an MSc in Applied Mathematics from Sofia University "St. Kliment Ohridski" in 2011 and a BA in Economics and in Mathematics from the American University in Bulgaria in 2005.

### **Juli Smith**

Head of Bank Regulation, Treasury and M&A Legal, Americas  
745 Seventh Avenue  
New York, NY 10019, USA

Juli Smith was appointed as Chief Legal Officer for Barclays Capital Inc. in February 2021. Juli is Barclays' Head of Bank Regulation, Treasury and M&A Legal and Global Co-Head of Recovery and Resolution Planning Legal. In these roles, Juli heads teams of senior corporate and regulatory lawyers responsible for legal advice and support on US bank regulation, treasury and funding transactions, principal mergers and acquisitions and investments, and distressed loan positions in Barclays' portfolio, as well as Recovery and Resolution Planning.

Juli joined Barclays in May 2009, after having worked at AIG for eight years as Assistant General Counsel.

Juli started her career in 1998 at the New York offices of the law firm Latham & Watkins, after a judicial clerkship in the Southern District of New York.

Juli has an undergraduate degree from Brown University, a law degree from Columbia University and a Masters in Public Administration from Columbia University School of International and

Public Affairs. At Columbia Law School, Juli was a Harlan Fiske Stone Scholar.

In addition, Juli serves as a Commissioner of the White Plains Housing Authority. She was appointed by the Mayor of White Plains, NY in 2013.

**Allison Uhl**

Director, Chief Compliance Officer, FCM  
745 Seventh Avenue  
New York, NY 10019, USA

Allison Uhl is currently the Americas Head of Liquid Financing Compliance for Barclays and was appointed the Chief Compliance Officer of the FCM in October 2025. Allison has been with Barclays for the past 14 years holding different roles within the compliance department and Regulatory Operations. Allison has worked on numerous regulatory initiatives for the firm.

Allison received a BS from Kean University, with a major in Finance and a minor in Economics.

**Jai Westwood**

Managing Director, Country Management  
745 Seventh Avenue  
New York, NY 10019, USA

Jai Westwood is a Managing Director in Country Management for Barclays International, based in New York.

Jai serves on the Barclays Group US Inc board and is the CEO of the US service company. Responsibilities include FinOps for Barclays Capital Inc. (BCI), Deputy Branch Manager for New York, Branch Manager for Cayman, CAO for Canada and Brazil and serves on numerous US Intermediate Holding Company subsidiary boards. Jai has managed large global infrastructure projects including entrance into new businesses, products, and geographies, integrating the businesses into Barclays post acquisition. In 2022, Jai was interim head of the International Corporate Bank Americas.

Jai has worked on many large strategic projects including: the Lehman Brothers asset acquisition, the purchase and sale of a mortgage originator and servicer, the opening of the Whippany, NJ, office and launch of a Mexico bank and broker dealer. He has also led projects involving the opening of many of the firm's US and Canadian offices, including the opening of a Canada branch of Barclays PLC in addition to the divestment of assets through M&A deals.

Jai joined Barclays in 1999 in London in Finance. At Barclays, Jai has had roles in Strategic Planning and Infrastructure. He also was the Miami Branch Manager for Barclays, the largest foreign bank by assets in Florida from 2001 – 2003. Previously, Jai worked for Salomon Brothers in Finance in London.

He was a member of the local New Jersey Board for American Diabetes Association (ADA) and was on the Finance Committee at the National level for the ADA.

Jai has earned an honors degree in business studies from University of Plymouth, England (1993), qualified as a certified accountant (ACCA) in 1995 and has an MBA from Fuqua business school, Duke University (2003). He also holds Series 7, 24, 27 and 79 SEC licenses as well as Canadian Directors license.

## II. BCI's Business Activities and Services

The FCM is a division of BCI, which is a US Securities and Exchange Commission (SEC) registered broker dealer and is an indirect subsidiary of BBPLC, which provides large corporate, government and institutional clients with a full spectrum of solutions to meet their strategic advisory, financing and risk management needs. Although not all necessarily offered through the FCM, Barclays offers clients access to a variety of services and asset classes through its different business lines. Such business lines and services include offering equity and fixed income financing, including securities lending; equity research; and execution services for exchange traded and OTC equities, fixed income, currency, commodities and derivatives products.

The following is an approximate percentage of BCI's assets and capital applicable to the various business and product lines and services as of December 31, 2025:

Activity/Product Line	Percentage of Assets	Capital Employed
Financing (Resales, Borrows)	36.9%	14.0%
Inventory by Business Line		
FICC	32.9%	28.4%
Equities	2.6%	13.5%
Other Inventory	0	0
Goodwill and Tangible Assets	0	0
Receivable from Broker-Dealers and Customers	25.1%	26.9%
Investments in Subsidiaries and Receivable from Affiliates	0.1%	5.8%
Fixed and All Other Assets	2.4%	11.4%

### *i. BCI's FCM Business*

BCI's FCM clients are made up of institutional, commercial and proprietary entities that are all eligible contract participants, as defined in the Commodity Exchange Act and CFTC rules. Through BCI and its affiliates, the FCM's clients are able to trade exchange traded and centrally cleared futures, options on futures and swaps across sectors and throughout global markets.

BCI is a member of the following Designated Contract Markets/Exchanges and provides clearing services for the following Swap Execution Facilities:

<b>Designated Contract Markets/Exchanges</b>	<b>Swap Execution Facilities &amp; Multilateral Trading Facilities</b>
Cboe Futures Exchange, LLC	BGC Brokers LP
Chicago Board of Trade	BGC Derivatives Markets
Chicago Mercantile Exchange, Inc.	Bloomberg
Commodity Exchange Inc.	Bloomberg Trading Facility Limited
FMX Futures Exchange, L.P.	CBOE SEF, LLC
ICE Futures US, Inc.	GFI Securities Limited
New York Mercantile Exchange, Inc.	ICAP WCLK
ICE Endex Markets BV	IGDL - ICAP Global Derivatives Limited
ICE Futures Europe	NEX SEF Limited
	NEX/CME Amsterdam B.V.
	TpSEF
	Tradeweb EU B.V.
	Tradeweb Europe Limited
	TraditionSEF
	TWSEF LLC
	YieldBroker PTY Limited

BCI provides customers access to products cleared by the below Clearing Organizations in which BCI, an affiliate of BCI or a third-party is a clearing member.

<b>Clearing Organization</b>	<b>BCI a Member</b>	<b>BCI Affiliate a Member</b>	<b>Third Party a Member</b>
Asigna, Compensación y Liquidación - Mexico			X
ASX Clear Pty Limited			X
BME Clearing – MEFF Exchange		X	
Bursa Malaysia Derivatives Clearing Bhd			X
Canadian Derivatives			X

Clearing Corporation (CDCC) – Montreal Exchange			
Cassa di Compensazione e Garanzia S.p.A. - Italy		X	
Chicago Mercantile Exchange, Inc.	X		
Eurex Clearing AG - Germany	X	X	
HKFE Clearing Corporation Limited		X	
ICE Clear Credit LLC	X	X	
ICE Clear Europe Limited	X	X	
ICE Clear U.S., Inc.	X		
Taiwan Futures Exchange Corporation			X
Japanese Securities Clearing Corporation		X	
The National Depository For Securities (KDPW) - Poland			X
Korea Exchange, Inc.			X
LCH Ltd.	X	X	
LCH SA		X	
LME Clear			X
MIAX Futures Exchange, LLC - Minneapolis			X
Nasdaq Clearing AB - Sweden		X	
Options Clearing Corporation	X		
JSE Clear – South Africa			X
Singapore Exchange Derivatives Clearing Limited		X	
Takasbank – Turkey			X
The Thailand			X

Clearing House Company Limited (TCH)			
Tokyo Financial Exchange (TFX)		X	

Where BCI is not a member of an exchange or clearinghouse, in order to provide its clients with access to the products offered at such exchanges and clearinghouses, BCI will sometimes use a carrying broker that either is a member of the exchange or clearinghouse or has a relationship with such a member. Below are the names of the direct carrying brokers that BCI uses for its client business:

<b>Carrying Brokers US/Non-US</b>	<b>Affiliated with BCI Y/N</b>
Barclays Bank PLC	<b>Y</b>
Marex Capital Markets Inc	<b>N</b>
RBC Capital Markets LLC	<b>N</b>

*Updated April 30, 2026*

Under CFTC Regulation 1.44(d), an FCM may elect (upon customer’s instruction) to treat the separate accounts of a customer as accounts of separate entities for purposes of margining such accounts in accordance with applicable CFTC Regulations and exchange rules. Barclays has made the election to implement separate account margining in accordance with Regulation 1.44(d). Barclays permits certain customers to establish and maintain such separate accounts. Customers typically establish separate accounts where accounts are: (i) managed by different asset management firms, introducing brokers or associated persons; (ii) managed as separate investment portfolios by the same asset management firm, introducing broker or associated person; (iii) subject to liens in connection with operating loans that contractually obligate an FCM to treat the accounts separately; (iv) related or other jointly owned accounts of natural persons the owners of which wish to maintain as separate accounts; or (v) otherwise as required for regulatory or appropriate business purposes. Subject to the terms and conditions of CFTC Regulation 1.44, Barclays treats such separate accounts as accounts of separate entities. Among other things, Barclays may calculate the margin requirements for each separate account independently from all other separate accounts of the same customer and may disburse excess funds from one separate account notwithstanding that another separate account is undermargined. Among other terms and conditions set out in CFTC Regulation 1.44, Barclays is required to advise its customers for which it maintains separate accounts that:

- in the unlikely event of Barclays’ bankruptcy, all separate accounts of the customer in each account class (futures, foreign futures and cleared swaps) will be combined in determining such customer’s rights and obligations under the applicable provisions of the U.S. Bankruptcy Code and Part 190 of the Commodity Futures Trading Commission’s

Regulations; and

- in the unlikely event that an FCM's implementation of separate account treatment for some customers were to contribute to a loss that exceeds the FCM's ability to cover, that loss may affect the segregated funds of all of the FCM's customers in one or more account classes.

### **III. Bank Depositories, Custodians and Investment of Client Funds**

Barclays has in place policies and procedures for selecting the bank depositories and custodians to hold FCM client funds as well as for selecting how it will invest client funds, including counterparties to such investments. Prior to opening an account to deposit client funds, and annually thereafter, the FCM undertakes a review and evaluation of the depository to satisfy itself that the depository is sound and does not present unreasonable risk. Among other things, Barclays reviews the entity's experience and market expertise, creditworthiness, accounting practices, internal and external auditing practices, settlement practices, disaster recovery and business continuity procedures, reporting and regulatory oversight. As part of this review, Barclays obtains written responses from the entity that are reviewed by representatives of Barclays' treasury, operations, legal, compliance, credit/risk and business departments prior to opening an account to deposit client funds or as part of the annual review. Barclays only invests FCM client funds in accordance with CFTC Rule 1.25<sup>1</sup>. Barclays bears sole responsibility for any losses resulting from the investment of client funds and no investment losses are borne or otherwise allocated to Barclays' clients. All investment options must be approved by the FCM's Treasury and Investment Committee, which is made up of senior management of the FCM's business, treasury and compliance functions and meets at least quarterly. The FCM's treasury department monitors all investments of customer funds and on a daily basis reviews, among other things, the asset, issuer, and counterparty concentration percentages; the dollar weighted time to maturity of the portfolio, as applicable; the comparison of the market value (plus accrued interest) to the contract value (plus accrued interest) for any repurchase or reverse repurchase agreement; the value of investments to ensure the value given to investments of customer funds are never greater than market value; and the change in market value from the business day before. Additionally, the holdings within each money market mutual fund and across all funds are reviewed periodically to determine exposure to, among other things, countries and investment types. Barclays' credit risk department establishes overall limits for each depository, custodian and counterparty that the FCM may face.

### **IV. Material Risks**

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<sup>1</sup> With respect to cleared OTC derivatives, please note that BCI has waived its unilateral right to use and invest the portion of a customer's cash initial margin that is passed through to a central counterparty.

Although BCI takes measures to minimize the risks that its activities have on its clients, by entrusting funds with any FCM a client is subjecting itself to risks associated with that FCM. Perhaps one of the most serious risks posed to a client of an FCM is that the FCM becomes insolvent. Accordingly, when selecting an FCM, it is important for clients to understand, among other things, those risks posed by the FCM's creditworthiness, investment of client funds and the FCM's own funds, leverage, capital, liquidity and other lines of business.

Currently BCI holds FCM client funds solely in cash or cash equivalents, including money market mutual funds. Further, BCI has procedures in place, including daily calculations, so that at no time is more than 50% of investable client assets invested in non-cash equivalent instruments. In this way, BCI maintains sufficient cash or cash equivalents so it is able to return at least 50% of client cash that is not being used to margin positions within a day without having to liquidate non-cash instruments.

In order to ensure that it is in compliance with its regulatory capital requirements and that it has sufficient liquidity to meet its ongoing obligations, BCI holds a significant portion of its own assets in cash and cash equivalents, such as on demand deposits and also holds assets in US government securities, including treasury securities and certain agency securities. BCI also invests in other short-term highly liquid instruments such as money market instruments, commercial paper, and certificates of deposit and invests a limited amount of its funds in state and municipal securities and certain highly-rated corporate debt securities. Some investments in which BCI places its assets, including certain asset-backed securities and mortgage-backed securities, may be less liquid instruments with limited price transparency. In such instances, there is a risk that if BCI needs to liquidate such investments in times of stress it may not be able to do so quickly or at the current valuation.

As a client of BCI, you are also subject to certain risks based upon the creditworthiness of BCI, its capital, leverage ratios and access to liquid assets as well as risks posed to BCI by non-FCM business lines. BCI, as both an SEC registered broker dealer and CFTC registered FCM is required to maintain minimum adjusted net capital. The purpose of this capital is to ensure that BCI maintains sufficient liquid assets so as to meet its financial obligations that arise in its day-to-day activities. For example, timing differences between when the FCM must post margin at a clearinghouse for its client positions and when clients provide the FCM with the required margin require the FCM to post margin at the clearinghouse before it receives the applicable margin from the client. If an FCM does not have sufficient capital and access to liquid assets it may be unable to meet its obligations, which could result in the client positions and assets being put at risk, including possibly being subject to a bankruptcy proceeding.

BCI maintains a liquidity pool which consists primarily of unencumbered securities, including US treasuries, US agency debt, and US agency MBS, as well as cash and cash equivalents. Liquidity stress scenarios are used to assess the appropriate level for these liquidity pools. BCI's FCM maintains sufficient cash or cash equivalents so as to be able to return at least 50% of client cash that is not being used to margin positions within a day without having to liquidate non-cash instruments. Additionally, BCI has access to credit, such as letters of credit.

The leverage ratio of an FCM provides information on how much of an FCM's assets is made up of borrowed funds or debt. Leverage ratio is calculated as the total balance sheet assets, less any instruments guaranteed by the U.S. government and held as an asset or to collateralize an asset (e.g., a reverse repo) divided by total capital (the sum of stockholder's equity and subordinated debt). The lower the leverage ratio, the less debt a firm has. If an FCM is excessively leveraged it may not be able to access liquid assets, particularly in a time of stress. As of December 31, 2025, BCI's leverage ratio as reported to CFTC and National Futures Association (NFA) is 4.55%.

Creditworthiness of an entity is an important part of its ability to access liquidity. The creditworthiness of an entity is assessed based upon the entity's range of business and financial attributes including risk management processes and procedures, capital strength, earnings, funding, liquidity, accounting and governance. BCI subscribes to an independent credit rating agency review by Standard and Poor's. The most recent review rated BCI as "A-" for long-term counterparty credit and "A-2" for short-term counterparty credit.

In addition to being an FCM, BCI is a registered broker dealer that engages in various securities trading and brokerage activities. Securities transactions, both as principal and as agent, are executed with individuals and institutions including other brokers and dealers, central clearers and exchanges, commercial banks, insurance companies, pension plans, mutual funds, hedge funds and other financial institutions. In the event that counterparties to the transactions do not fulfill their obligations, BCI may be exposed to credit risk. The exposure to credit risk associated with the nonperformance of counterparties in fulfilling their contractual obligations can be directly affected by volatile trading markets and/or the extent to which such obligations are unsecured. BCI monitors its counterparty risk through the use of a variety of credit and market exposure reporting and control procedures, including marking to market securities and collateral and requiring adjustments of collateral levels as considered appropriate. In connection with its derivatives trading activities, BCI may enter into master netting agreements and collateral arrangements with counterparties, that provide BCI with the ability to offset counterparty's rights and obligations, request additional collateral when necessary, or liquidate the collateral in the event of counterparty default. In addition, BCI reviews the credit standing of each counterparty and customer with whom it conducts business as considered necessary.

As noted above, BCI's FCM is only a part of the much larger Barclays Group. More specifically, the FCM business is part of Barclays' Investment Bank which is operated across a number of Barclays' affiliates, with BCI and BBPLC being the two main entities. At a high level, since BCI is a subsidiary and/or affiliate of other Barclays' entities it is subject to the risk that if such an entity, particularly BBPLC, were to become insolvent, there would likely be a knock-on effect for BCI. Additionally, through the normal course of its business, BCI enters into certain transactions and activities with its affiliates. BCI enters into certain financing arrangements with its parent, including a line of credit. BCI receives cash, securities, and a third-party letter of credit pledged by BBPLC for the purposes of meeting BBPLC's margin requirements. BCI also executes and clears products for its affiliates as well as its affiliates' clients on US exchanges and BCI also places customer funds with BBPLC to provide its clients with access to certain non-US exchanges. To the extent that client funds are placed with an affiliate of BCI, the interconnected nature of BCI and its affiliates may pose additional risk to the client. For example, there is a

greater likelihood that if one entity were to become insolvent so would the other than if such funds were placed with an unaffiliated third-party.

## **V. Material Complaints and Enforcement Actions**

As noted above, BCI is a registered US broker-dealer and FCM, and is a subsidiary of BBPLC (together with its subsidiaries “Barclays” or the “Group”). BCI is or has been involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of its businesses. In addition, BCI and certain of its affiliates are subject to a number of investigations and reviews by, and in some cases have received subpoenas and requests for documents and information from, various governmental and regulatory bodies and self-regulatory organizations relating to matters concerning their businesses. Pursuant to 17 CFR 1.55(k)(7), the following disclosure is intended to provide information that may be material to an FCM customer regarding administrative, civil, enforcement or criminal actions filed against BCI, that have not concluded, and enforcement complaints or actions filed against BCI, during the last three years. This is not a comprehensive list of all proceedings to which BCI is or has been a party. Additional information on regulatory, civil and arbitration proceedings involving Barclays, including the proceedings described below, proceedings involving BCI that are not required to be disclosed under 17 CFR 1.55(k)(7) and proceedings involving other Barclays entities, is available through the National Futures Association’s Background Affiliation Status Information Center (which can be accessed electronically at [www.nfa.futures.org/basicnet](http://www.nfa.futures.org/basicnet)), the Financial Industry Regulatory Authority’s (FINRA) BrokerCheck (which can be accessed electronically at <http://brokercheck.finra.org/Search/Search.aspx>) and under the caption “Legal, competition and regulatory matters” in the notes to the financial statements in the Group’s Annual Report on Form 20-F filed with the US Securities and Exchange Commission (the “SEC”) (which can be accessed electronically at <http://www.sec.gov>).

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### *Legal, competition and regulatory matters*

Barclays PLC, Barclays Bank PLC and the Group face legal, competition and regulatory challenges, many of which are beyond our control. The extent of the impact on Barclays PLC, Barclays Bank PLC and the Group of these matters cannot always be predicted but may materially impact our operations, financial results, condition and prospects. Matters arising from a set of similar circumstances can give rise to either a contingent liability or a provision, or both, depending on the relevant facts and circumstances. The Group has not disclosed an estimate of the potential financial effect on the Group of contingent liabilities where it is not currently practicable to do so.

## **Investigations into certain advisory services agreements and other proceedings**

### **Proceedings relating to certain advisory services agreements**

In 2023, Barclays Bank PLC received requests for arbitration from two Jersey special purpose vehicles connected to PCP International Finance Limited asserting claims in relation to the October 2008 capital raising. This matter is now concluded, and there are no other outstanding matters relating to the advisory services agreements.

### **Civil actions related to LIBOR and other benchmarks**

Various individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Barclays Bank Group and other banks in relation to the alleged manipulation of LIBOR and/or other benchmarks.

#### ***US civil actions related to LIBOR***

Multiple civil actions have been filed in the US against the Barclays Bank Group and other banks alleging manipulation of USD LIBOR, Sterling LIBOR and the LIBOR benchmark that was administered by the Intercontinental Exchange Inc. and certain of its affiliates {ICE LIBOR).

With respect to USD LIBOR, one action alleging that Barclays Bank PLC, Barclays Capital Inc. {BCI} and other financial institutions individually and collectively violated provisions of the US Sherman Antitrust Act {Antitrust Act}, the US Commodity Exchange Act {CEA}, the US Racketeer Influenced and Corrupt Organizations Act {RICO}, the US Securities Exchange Act of 1934 and various state laws by manipulating USD LIBOR rates remains pending in the Southern District of New York {SDNY} seeking unspecified damages. Barclays Bank PLC has moved for summary judgment in this action, and briefing on that motion was completed in January 2025. The other action has settled. The settlement is not material to the Barclays Bank Group's operating results, cash flows or financial position.

With respect to Sterling LIBOR, consolidated class actions filed in the SDNY against Barclays Bank PLC, BCI and other Sterling LIBOR panel banks alleging, among other things, manipulation of the Sterling LIBOR rate in violation of the Antitrust Act, CEA and RICO, were dismissed in 2018. Oral argument on the plaintiffs' appeal of that dismissal was heard by the US Court of Appeals for the Second Circuit {Second Circuit} in April 2024.

With respect to ICE LIBOR, in August 2020, a group of individual plaintiffs in the US District Court for the Northern District of California on behalf of individual borrowers and consumers of loans and credit cards with variable interest rates linked to USO ICE LIBOR brought an action against Barclays Bank PLC and other financial institutions alleging Antitrust Act violations. The defendants' motion to dismiss the case was granted in 2022. The US Court of Appeals for the Ninth Circuit affirmed the dismissal in December 2024. The plaintiffs' petition for US Supreme Court review was denied in June 2025, concluding the matter.

#### ***Non-US benchmarks civil actions***

The remaining UK claim, issued in 2017, against Barclays Bank PLC and other banks in connection with alleged manipulation of LIBOR has now settled. The settlement is not material to the Group's operating results, cash flows or financial position. Proceedings have also been brought in Spain, Italy and Israel relating to alleged manipulation of LIBOR and EURIBOR. The proceedings in Israel have concluded.

### **Foreign exchange civil actions**

Legal proceedings have been brought or are threatened against Barclays PLC, Barclays Bank PLC, BCI and Barclays Execution Services Limited (BX) in connection with alleged manipulation of foreign exchange in the UK, the Netherlands, Israel, Brazil and Australia. In the Australia and Israel proceedings, settlements in principle have been agreed subject to court approval.

The above-mentioned proceedings include a class action filed against Barclays PLC, Barclays Bank PLC, BX, BCI and other financial institutions in the UK Competition Appeal Tribunal (CAT) in 2019. The CAT refused to certify the claim in 2022 and in 2023, the Court of Appeal overturned the CAT's decision and found that the claim should be certified on an opt-out basis. The UK Supreme Court heard arguments in April 2025, concerning the appeal brought by Barclays and the other financial institutions involved.

### **Metals-related civil actions**

A US civil complaint alleging manipulation of the price of silver in violation of the CEA, the Antitrust Act and state antitrust and consumer protection laws was brought by a proposed class of plaintiffs against a number of banks, including Barclays Bank PLC, BCI and BX, and transferred to the SDNY. The complaint was dismissed against these Barclays entities and certain other defendants in 2018, and against the remaining defendants in 2023. The plaintiffs have appealed the dismissal of the complaint against all defendants.

Civil actions have also been filed in Canadian courts against Barclays PLC, Barclays Bank PLC, Barclays Capital Canada Inc. and BCI on behalf of proposed classes of plaintiffs alleging manipulation of gold and silver prices.

### **US residential mortgage related civil action**

There remains one US Residential Mortgage-Backed Securities (RMBS) related civil action arising from unresolved repurchase requests submitted by Trustees for certain RMBS, alleging breaches of various loan-level representations and warranties made by Barclays Bank PLC and/or a subsidiary acquired in 2007. Barclays' motion to dismiss the action was denied in 2023. The parties appealed the decision and in January 2025, the appellate court reversed the lower court's decision and dismissed the action. The plaintiff has requested review by the New York State Court of Appeals.

### **Government and agency securities civil actions**

### ***Treasury auction securities civil actions***

Consolidated putative class action complaints filed in US federal court against Barclays Bank PLC, BCI and other financial institutions under the Antitrust Act and state common law allege that the defendants: (i) conspired to manipulate the US Treasury securities market; and/or (ii) conspired to prevent the creation of certain platforms by boycotting or threatening to boycott such trading platforms. The court dismissed the consolidated action in 2021 and the plaintiffs filed an amended complaint. The defendants' motion to dismiss the amended complaint was granted in 2022. The plaintiffs appealed this decision, and in February 2024 the appellate court affirmed the dismissal. The plaintiffs did not seek US Supreme Court review, thereby concluding the matter.

In addition, certain plaintiffs have filed a related, direct action against BCI and certain other financial institutions, alleging that defendants conspired to fix and manipulate the US Treasury securities market in violation of the Antitrust Act, the CEA and state common law. This action remains stayed.

### ***Variable Rate Demand Obligations civil actions***

Civil actions have been filed against Barclays Bank PLC and BCI and other financial institutions alleging the defendants conspired or colluded to artificially inflate interest rates set for Variable Rate Demand Obligations (VRDOs). VRDOs are municipal bonds with interest rates that reset on a periodic basis, most commonly weekly. An action in state court has been filed by private plaintiffs on behalf of the state of California and the matter is in discovery. Three putative class action complaints have been consolidated in the SDNY. In the consolidated SDNY class action, certain of the plaintiffs' claims were dismissed in 2020 and 2022 and the plaintiffs' motion for class certification was granted in 2023, which means the case may proceed as a class action. The defendants are appealing this decision.

### **Odd-lot corporate bonds antitrust class action**

In 2020, BCI, together with other financial institutions, were named as defendants in a putative class action in the US. The complaint alleges a conspiracy to boycott developing electronic trading platforms for odd-lots and price fixing. The plaintiffs demand unspecified money damages. The defendants' motion to dismiss was granted in 2021, which the plaintiffs appealed. In July 2024, the Second Circuit vacated the judgment and remanded the case to the SDNY, where the plaintiffs filed a second amended complaint in September 2024. The defendants have filed a motion to dismiss.

### **Credit Default Swap civil action**

A putative antitrust class action is pending in New Mexico federal court against Barclays Bank PLC, BCI and various other financial institutions. The plaintiffs, the New Mexico State Investment Council and certain New Mexico pension funds, allege that the defendants

conspired to manipulate the benchmark price used to value Credit Default Swap (CDS) contracts at settlement (i.e. the CDS final auction price). The plaintiffs allege violations of US antitrust laws and the CEA, and unjust enrichment under state law. The defendants' motion to dismiss was denied in 2023. In January 2024, the SDNY ruled that settlement in an earlier CDS antitrust litigation bars these plaintiffs from asserting claims based on conduct occurring before 30 June 2014. The plaintiffs appealed to the Second Circuit and the appeal was denied in May 2025. The case has returned to New Mexico federal court.

### **Interest rate swap and credit default swap US civil actions**

Barclays PLC, Barclays Bank PLC and BCI, together with other financial institutions that act as market makers for interest rate swaps (IRS), are named as defendants in several antitrust actions, including one putative class action and individual actions brought by certain swap execution facilities, which are consolidated in the SDNY. The complaints allege the defendants conspired to prevent the development of exchanges for IRS and demand unspecified money damages. The parties have reached a settlement of the class action, which received final court approval and has been paid. The financial impact of the settlement is not material to the Barclays Bank Group's operating results, cash flows or financial position. The individual claims are proceeding separately in the SDNY.

### **BDC Finance L.L.C.**

In 2008, BDC Finance L.L.C. (BDC) filed a complaint in the Supreme Court of the State of New York, demanding damages of \$298m, alleging that Barclays Bank PLC had breached a contract in connection with a portfolio of total return swaps governed by an ISDA Master Agreement (the Master Agreement). Following a trial, the court ruled in 2018 that Barclays Bank PLC was not a defaulting party, which was affirmed on appeal. In 2021, the trial court entered judgment in favour of Barclays Bank PLC for \$3.3m and as yet to be determined legal fees and costs. In 2022, the appellate court reversed the trial court's summary judgment decision in favour of Barclays Bank PLC and remanded the case to the lower court for further proceedings. The parties filed cross-motions on the scope of trial. In January 2024, the court ruled in Barclays' favour. In December 2024, the appellate court reversed the trial court's judgment.

### **Civil actions in respect of the US Anti-Terrorism Act**

Eight civil actions, on behalf of more than 4,000 plaintiffs, were filed in US federal courts in the US District Court in the Eastern District of New York (EDNY) and SDNY against Barclays Bank PLC and a number of other banks. The complaints generally allege that Barclays Bank PLC and those banks engaged in a conspiracy to facilitate US dollar denominated transactions for the Iranian government and various Iranian banks, which in turn funded acts of terrorism that injured or killed the plaintiffs or the plaintiffs' family members. The plaintiffs seek to recover damages for pain, suffering and mental anguish under the provisions of the US Anti-Terrorism Act, which allow for the trebling of any proven damages.

The court granted the defendants' motions to dismiss three out of the six actions in the EDNY. The plaintiffs appealed in one action and the dismissal was affirmed, and judgment was entered, in 2023. The plaintiffs' motion to vacate the judgment is fully briefed. The other two dismissed actions in the EDNY were consolidated into one action. The plaintiffs in that action, and in one other action in the EDNY, filed amended complaints. The two other actions in the EDNY are currently stayed. Out of the two actions in the SDNY, the court granted the defendants' motion to dismiss the first action. That action is stayed, and the second SDNY action is stayed pending any appeal on the dismissal of the first.

### **Shareholder derivative action**

In 2020, a purported Barclays shareholder filed a putative derivative action in New York state court against BCI and a number of current and former members of the Board of Directors of Barclays PLC and senior executives or employees of the Barclays Bank Group. The shareholder plaintiff filed the claim on behalf of nominal defendant Barclays PLC, alleging that the individual defendants harmed the company through breaches of their duties, including under the Companies Act 2006. The plaintiff sought damages on behalf of Barclays PLC for the losses that Barclays PLC allegedly suffered as a result of these alleged breaches. An amended complaint was filed in 2021, which BCI and certain other defendants moved to dismiss. The motion to dismiss was granted in 2022. The plaintiff appealed the decision, and the dismissal was unanimously affirmed in 2023 by the First Judicial Department in New York. The plaintiff appealed the First Judicial Department's decision to the New York Court of Appeals. The dismissal was affirmed by the New York Court of Appeals in May 2025, concluding the matter.

### **Skilled person review in relation to historical timeshare loans and associated matters**

Clydesdale Financial Services Limited (CFS), which trades as Barclays Partner Finance and houses Barclays' point-of-sale finance business, was required by the FCA to undertake a skilled person review in 2020 following concerns about historical affordability assessments for certain loans to customers in connection with timeshare purchases. The skilled person review was concluded in 2021. CFS complied fully with the skilled person review requirements, including carrying out certain remediation measures. CFS was not required to conduct a full back book review. Instead, CFS reviewed limited historical lending to ascertain whether its practices caused customer harm and has remediated any examples of harm. This work was substantially completed during 2023, utilising provisions booked to account for any remediations. This matter is now concluded.

### **Motor finance commission arrangements**

In January 2024, the FCA appointed a skilled person to undertake a review of the historical use of discretionary commission arrangements and sales in the motor finance market across several firms. Barclays is cooperating fully with the FCA's skilled person review, the outcome of which is unknown. This review follows two final decisions by the UK Financial Ombudsman Service (FOS), including one upholding a complaint against CFS in relation to commission

arrangements and disclosure in the sale of motor finance products, and a number of complaints and court claims, including some against CFS.

In April 2024, CFS filed a judicial review challenge in the High Court against the FOS's decision in relation to commission arrangements and disclosure in the sale of motor finance products. In December 2024, the High Court ruled against CFS. CFS has appealed the decision to the English Court of Appeal.

Separately, in October 2024, the English Court of Appeal issued judgment against the lenders in three motor finance commissions cases. CFS is not a party to this litigation. The Supreme Court heard an appeal of these cases in April 2025 and judgment is yet to be issued. In light of the English Court of Appeal decision and onward appeal to the UK Supreme Court, the FCA extended its pause on complaints to include all motor finance commissions, not just discretionary commission arrangements.

CFS ceased operating in the motor finance market in late 2019. In 2020, CFS was transferred from Barclays Bank PLC to Barclays Principal Investments Ltd (BPIL), another subsidiary of Barclays PLC. Barclays Bank PLC has provided an intragroup indemnity to BPIL in respect of historical litigation and conduct matters relating to CFS.

### **Over-issuance of securities in the US**

In 2022, executive management became aware that Barclays Bank PLC had issued securities materially in excess of the set amount under its US shelf registration statements.

In 2022, a purported class action claim was filed in the US District Court in Manhattan seeking to hold Barclays PLC, Barclays Bank PLC and former and current executives responsible for declines in the price of Barclays PLC's American depository receipts, which the plaintiffs claim occurred as a result of alleged misstatements and omissions in its public disclosures. The defendants' motion to dismiss the case was granted in part and denied in part in February 2024. The parties reached a settlement in respect of such lawsuit, which has received final court approval and has been paid, concluding the matter. The financial impact of this settlement is not material to the Group's operating results, cash flows or financial position.

In addition, holders of VXX ETNs have brought a purported class action in federal court in New York against Barclays PLC, Barclays Bank PLC, and former and current executives and board members in the US alleging, among other things, that Barclays' failure to disclose that these ETNs were unregistered securities misled investors and that, as a result, Barclays is liable for the holders' alleged losses following the suspension of further sales and issuances of the ETNs. The plaintiffs were granted leave to amend and filed a new complaint in March 2024. Barclays' motion to dismiss was granted in March 2025. The plaintiffs' motion for reconsideration was denied in June 2025. The plaintiffs are appealing the decision.

In March 2024, a putative class action was filed in federal court in New York against Barclays PLC, Barclays Bank PLC and former and current executives. The plaintiff purports to bring

claims on behalf of a class of short sellers, alleging that their short positions suffered substantial losses when Barclays suspended new issuances and sales of VXX ETNs as a result of the over-issuance of securities. Barclays' motion to dismiss was granted in March 2025. The plaintiff is appealing the decision.

### **HM Revenue & Customs (HMRC) assessments concerning UK Value Added Tax**

In 2018, HMRC issued notices that have the effect of either removing certain Barclays overseas subsidiaries that have operations in the UK from Barclays' UK VAT group or preventing them from joining it. Supplies between members of a UK VAT group are generally free from VAT. The notices had both retrospective and prospective effect. Barclays appealed HMRC's decisions to the First-Tier Tribunal (Tax Chamber) in relation to both the retrospective VAT assessments and the on-going VAT payments made since 2018. £181m of VAT (inclusive of interest) was assessed retrospectively by HMRC covering the periods 2014 to 2018, of which approximately £128m is expected to be attributed to Barclays Bank UK PLC and £53m to Barclays Bank PLC. This retrospectively assessed VAT was paid in 2018 and an asset, adjusted to reflect expected eventual recovery, is recognised. Since 2018 Barclays has paid, and recognised as an expense, VAT on intra-group supplies from the relevant subsidiaries to the members of the VAT group. In respect of the ongoing VAT payments, the court upheld HMRC's denial of the VAT grouping in August 2024. Barclays has appealed this decision to the Upper Tribunal.

### **FCA investigations concerning financial crime systems and controls and compliance with the Money Laundering Regulations**

The FCA conducted civil enforcement investigations into Barclays Bank PLC's and Barclays Bank UK PLC's compliance with the Money Laundering Regulations and the FCA's Principles of Business and Rules relating to antimoney laundering and financial crime systems and controls. The FCA's investigation of Barclays Bank PLC focused primarily on the historical oversight and management of a customer with heightened risk. In July 2025, Barclays Bank PLC agreed a settlement with the FCA to resolve the investigation. At the same time, Barclays Bank UK PLC reached a settlement with the FCA in a separate investigation concerning the onboarding of a client money account for an FCA-regulated firm. The FCA recognised Barclays' cooperation in both matters, which are now concluded.

### **UK bank levy**

In November 2024, HMRC updated its published guidance on the treatment of beneficiary accounts for the purposes of the exclusion of protected deposits from the UK bank levy charge. HMRC's interpretation of the UK bank levy legislation differs from Barclays' interpretation of the legislation, which has been applied in Barclays' UK bank levy returns and which Barclays continues to consider is correct. In December 2024, HMRC wrote to notify Barclays of its intention to challenge this treatment. Engagement with HMRC is at an early stage and assessments have not yet been issued.

## General

The Barclays Group is engaged in various other legal, competition and regulatory matters both in the UK and a number of overseas jurisdictions. It is subject to legal proceedings by and against the Group which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, debt collection, consumer credit, fraud, trusts, client assets, competition, data protection, money laundering, financial crime, employment, environmental and other statutory and common law issues. Additional information regarding legal proceedings against the Barclays Group can be found in Barclays PLC's results announcements at <http://www.home.barclays/barclays-investor-relations/results-and-reports/results.html>

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## VI. Segregation of Client Funds

### Customer Accounts

FCMs may maintain up to three different types of accounts for customers, depending on the products a customer trades:

- (i) a Customer Segregated Account for customers that trade futures and options on futures listed on US futures exchanges;
- (ii) a 30.7 Account for customers that trade futures and options on futures listed on foreign boards of trade; and
- (iii) a Cleared Swaps Customer Account for customers trading swaps that are cleared on a DCO registered with the Commission.

The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities and other collateral (collectively, Customer Funds) required to be held in one type of account, *e.g.*, the Customer Segregated Account, may not be commingled with funds required to be held in another type of account, *e.g.*, the 30.7 Account, except as the Commission may permit by order.

### *Customer Segregated Account*

Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the US, *i.e.*, designated contract markets, are held in a Customer Segregated Account in accordance with section 4d(a)(2) of the Commodity Exchange Act and Commission Rule 1.20. Customer Segregated Funds held in the Customer Segregated Account may not be

used to meet the obligations of the FCM or any other person, including another customer.

All Customer Segregated Funds may be commingled in a single account, *i.e.*, a customer omnibus account, and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside of the US that has in excess of \$1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's customers. Unless a customer provides instructions to the contrary, an FCM may hold Customer Segregated Funds only: (i) in the US; (ii) in a money center country;<sup>2</sup> or (iii) in the country of origin of the currency.

An FCM must hold sufficient US dollars in the US to meet all US dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the US dollar) as follows: (i) US dollars may be held in the US or in money center countries to meet obligations denominated in any other currency; and (ii) funds in money center currencies<sup>3</sup> may be held in the US or in money center countries to meet obligations denominated in currencies other than the US dollar.

### *30.7 Account*

Funds that 30.7 Customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on foreign boards of trade, *i.e.*, 30.7 Customer Funds, and sometimes referred to as the foreign futures and foreign options secured amount, are held in a 30.7 Account in accordance with Commission Rule 30.7.

Funds required to be held in the 30.7 Account for or on behalf of 30.7 Customers may be commingled in an omnibus account and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside the US that has in excess of \$1 billion in regulatory capital; (iii) an FCM; (iv) a DCO; (v) the clearing organization of any foreign board of trade; (vi) a foreign broker; or (vii) such clearing organization's or foreign broker's designated depositories. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's 30.7 Customers. As explained below, Commission Rule 30.7 restricts the amount of such funds that may be held outside of the US.

Customers trading on foreign markets assume additional risks. Laws or regulations will vary depending on the foreign jurisdiction in which the transaction occurs, and funds held in a 30.7 Account outside of the US may not receive the same level of protection as Customer Segregated Funds. If the foreign broker carrying 30.7 Customer positions fails, the broker will be liquidated in accordance with the laws of the jurisdiction in which it is organized, which laws may differ significantly from the US Bankruptcy Code. Return of 30.7 Customer Funds to the US may be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable jurisdiction, as well as possible other intervening

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<sup>2</sup> Money center countries means Canada, France, Italy, Germany, Japan, and the United Kingdom.

<sup>3</sup> Money center currencies mean the currency of any money center country and the Euro.

foreign brokers, if multiple foreign brokers were used to process the US customers' transactions on foreign markets.

If the foreign broker does not fail but the 30.7 Customers' US FCM fails, the foreign broker may want to ensure that appropriate authorization has been obtained before returning the 30.7 Customer Funds to the FCM's trustee, which may delay their return. If both the foreign broker and the US FCM were to fail, potential differences between the trustee for the US FCM and the administrator for the foreign broker, each with independent fiduciary obligations under applicable law, may result in significant delays and additional administrative expenses. Use of other intervening foreign brokers by the US FCM to process the trades of 30.7 Customers on foreign markets may cause additional delays and administrative expenses.

To reduce the potential risk to 30.7 Customer Funds held outside of the US, Commission Rule 30.7 generally provides that an FCM may not deposit or hold 30.7 Customer Funds in permitted accounts outside of the US except as necessary to meet margin requirements, including prefunding margin requirements, established by rule, regulation, or order of the relevant foreign boards of trade or foreign clearing organizations, or to meet margin calls issued by foreign brokers carrying the 30.7 Customers' positions. The rule further provides, however, that, in order to avoid the daily transfer of funds from accounts in the US, an FCM may maintain in accounts located outside of the US an additional amount of up to 20 percent of the total amount of funds necessary to meet margin and prefunding margin requirements to avoid daily transfers of funds.

#### *i. Cleared Swaps Customer Account*

Funds deposited with an FCM, or otherwise required to be held for the benefit of customers, to margin swaps cleared through a registered DCO, i.e., Cleared Swaps Customer Collateral, are held in a Cleared Swaps Customer Account in accordance with the provisions of section 4d(f) of the Act and Part 22 of the Commission's rules. Cleared Swaps Customer Accounts are sometimes referred to as LSOC Accounts. LSOC is an acronym for "legally separated, operationally commingled." Funds required to be held in a Cleared Swaps Customer Account may be commingled in an omnibus account and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside of the US that has in excess of \$1 billion of regulatory capital; (iii) a DCO; or (iv) another FCM. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's Cleared Swaps Customers.

#### *ii. Investment of Customer Funds*

Section 4d(a)(2) of the Act authorizes FCMs to invest Customer Segregated Funds in obligations of the United States, in general obligations of any State or of any political subdivision thereof, and in obligations fully guaranteed as to principal and interest by the United States. Section 4d(f) authorizes FCMs to invest Cleared Swaps Customer Collateral in similar instruments.

Commission Rule 1.25 authorizes FCMs to invest Customer Segregated Funds, Cleared Swaps Customer Collateral and 30.7 Customer Funds in instruments of a similar nature. Commission rules further provide that the FCM may retain all gains earned and is responsible for investment

losses incurred in connection with the investment of Customer Funds. However, the FCM and customer may agree that the FCM will pay the customer interest on the funds deposited.

Permitted investments include:

- (i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
- (ii) General obligations of any State or of any political subdivision thereof (municipal securities);
- (iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations);<sup>4</sup>
- (iv) Certificates of deposit issued by a bank (certificates of deposit) as defined in section 3(a)(6) of the Securities Exchange Act of 1934, or a domestic branch of a foreign bank that carries deposits insured by the Federal Deposit Insurance Corporation;
- (v) Commercial paper fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (commercial paper);
- (vi) Corporate notes or bonds fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (corporate notes or bonds); and
- (vii) Interests in money market mutual funds.

The duration of the securities in which an FCM invests Customer Funds cannot exceed, on average, two years.

An FCM may also engage in repurchase and reverse repurchase transactions with non-affiliated registered broker-dealers, provided such transactions are made on a delivery versus payment basis and involve only permitted investments. All funds or securities received in repurchase and reverse repurchase transactions with Customer Funds must be held in the appropriate Customer Account, *i.e.*, Customer Segregated Account, 30.7 Account or Cleared Swaps Customer Account. Further, in accordance with the provisions of Commission Rule 1.25, all such funds or collateral must be received in the appropriate Customer Account on a delivery versus payment basis in immediately available funds.<sup>5</sup>

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<sup>4</sup> Obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association are permitted only while these entities operate under the conservatorship or receivership of the Federal Housing Finance Authority with capital support from the United States.

<sup>5</sup> As discussed below, NFA publishes twice-monthly a report, which shows for each FCM, *inter alia*, the percentage of Customer Funds that are held in cash and each of the permitted investments under Commission Rule

### *iii. No SIPC Protection.*

Although BCI is a registered broker-dealer, it is important to understand that the funds you deposit with BCI as an FCM for trading futures and options on futures contracts on either US or foreign markets or cleared swaps are not protected by the Securities Investor Protection Corporation.

Further, Commission rules require BCI to hold funds deposited to margin futures and options on futures contracts traded on US designated contract markets in Customer Segregated Accounts. Similarly, BCI must hold funds deposited to margin cleared swaps and futures and options on futures contracts traded on foreign boards of trade in a Cleared Swaps Customer Account or a 30.7 Account, respectively. In computing its Customer Funds requirements under relevant Commission rules, BCI may only consider those Customer Funds actually held in the applicable Customer Accounts and may not apply free funds in an account under identical ownership but of a different classification or account type (*e.g.*, securities, Customer Segregated, 30.7) to an account's margin deficiency. In order to be used for margin purposes, the funds must actually transfer to the identically-owned undermargined account.

For additional information on the protection of customer funds, please see the Futures Industry Association's "Protection of Customer Funds Frequently Asked Questions" located at [www.futuresindustry.org](http://www.futuresindustry.org).

## **VII. Filing a Complaint**

A client that wishes to file a complaint about BCI with the CFTC can contact the Division of Enforcement either electronically at <https://forms.cftc.gov/fp/complaintform.aspx> or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A client that wishes to file a complaint about BCI with NYMEX, BCI's DSRO, may do so electronically at: <http://www.cmegroup.com/market-regulation/file-complaint.html> or by calling the CME at 312-341-3286.

## **VIII. Financial Data as of December 31, 2025**

BCI's annual audited financial statements, as well as current financial information required to be made publicly available by CFTC Rule 1.55(o), may be found on BCI's website at [www.barcap.com](http://www.barcap.com).<sup>6</sup>

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1.25. The report also indicates whether the FCM held any Customer Funds during that month at a depository that is an affiliate of the FCM.

<sup>6</sup> The FCM does not enter into non-hedged, principal over-the-counter transactions; neither does it provide financing for customer transactions involving illiquid financial products for which it is difficult to obtain timely and accurate prices.

NFA publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve-month period is available.) In addition, NFA publishes twice-monthly a Customer Segregated Funds report, which shows for each FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, *i.e.*, the FCM's Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM. The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period. A 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the 30.7 Account and the Cleared Swaps Customer Account.

The above financial information reports can be found in NFA's BASIC system (<http://www.nfa.futures.org/basicnet/>) by viewing the "FCM Financial Data Reporting" section on BCI's BASIC Details page.

Additionally, financial information regarding all FCMs is available from the CFTC on its website at <http://www.cftc.gov/MarketReports/financialfcmdata/index.htm>.

Below is financial data regarding BCI as of December 31, 2025:

- Total Equity/Net Worth: \$6,590,779,926
- Regulatory Capital: \$15,140,779,925
- BCI's proprietary (house accounts) margin requirements as a percentage of the aggregate margin requirement for each regulatory client account origin are:
  - Segregated: 17.15%
  - Cleared Swaps customers: 2.08%
  - 30.7 Secured: 0.07%.

As defined in CFTC Rules, proprietary margin includes margin held for positions of BCI affiliates.

- The smallest number of futures customers that comprise 50 percent of the BCI's total funds held in segregated accounts is: 5
- The smallest number of cleared swaps customers that comprise 50 percent of the BCI's total funds held for cleared swaps customers is: 16
- The smallest number of 30.7 customers that comprise 50 percent of the BCI's total funds held for 30.7 customers are: 15
- BCI has not obtained any committed unsecured lines of credit or similar short-term funding.
- Over the past 12 months, BCI has written-off 0% of futures customer, cleared swaps

customer or 30.7 customer receivable balances.

## **IX. BCI's Current Risk Practices, Controls and Procedures**

Barclays has in place a comprehensive approach to risk management that identifies, assesses and measures risks related to credit, market, operational, liquidity and capital and has in place controls and plans for taking on appropriate risk in each area in line with internal and external stakeholder expectations. As part of the Barclays wide risk management program, policies and procedures have been established to ensure that the FCM operates within the overall risk appetite set out by the firm and Barclays's senior management and to ensure that the FCM's exposure to risk is managed within an approved governance structure. Having a risk management framework is considered a key control in the day-to-day operation of the FCM. The Barclays risk management framework has been designed to ensure the identification, monitoring, limitation and escalation of key risk exposures and potential losses to senior management and, in some cases, regulatory bodies. BCI's risk is managed on a business line, entity and global enterprise level. Further, Barclays has in place an internal independent function that facilitates, identifies, measures and mitigates operational risk across all areas of Barclays within a risk and control framework. BCI's risk management controls and procedures include, among other things the setting and monitoring of credit, trading and clearing limits based upon counterparty and portfolio exposures and concentration. Additionally, BCI monitors customer and affiliate margin requirements as well as its liquidity pool and conducts regular stress tests to assure that it has the ability to cover expected margin requirements.

A complete description of the Barclays global risk management strategy may be found in Barclays' Annual Report at: <http://www.barclays.com/barclays-investor-relations/results-and-reports/annual-reports.html>

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