

Chapter 29

Commission Delegated Regulation (EU) 2017/589



**Article 26 Position limits(Article 17(6) of
Directive 2014/65/EU)**

- (1) A clearing firm shall set out and communicate to its clearing clients appropriate trading and position limits to mitigate and manage its own counterparty, liquidity, operational and other risks.
- (2) A clearing firm shall monitor its clearing clients' positions against the limits referred to in paragraph 1 as close to real-time as possible and have appropriate pre-trade and post-trade procedures for managing the risk of breaches of the position limits, by way of appropriate margining practice and other appropriate means.
- (3) A clearing firm shall document in writing the procedures referred to in paragraph 2 and record whether the clearing clients comply with those procedures.