

Title: SEC statement 3/14/2022: SEC urging broker-dealers to collect margin requirements from counterparties to the fullest extent possible
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<https://www.sec.gov/news/statement/tm-staff-statement-20220314>

Pasted the text below. And I bolded sections below. They are not bolded in the original statement from the SEC. This posting appeared a few hours ago, after hours, I believe.

TM Staff Statement
Division of Trading and Markets

March 14, 2022

Staff of the Division of Trading and Markets ("Staff") urges broker-dealers and other market participants to remain vigilant to market and counterparty risks that may surface during periods of heightened volatility and global uncertainties. It is always prudent that broker-dealers have strong risk management practices. In particular, broker-dealers should be mindful of the following.

1. ****Broker-dealers should collect margin from counterparties to the fullest extent possible in accordance with any applicable regulatory and contractual requirements.****
2. ****Concentrated positions of prime brokerage counterparties pose particular concerns.**** Staff urges broker-dealers to seek sufficient information to determine counterparties' aggregate positions in any markets that may experience liquidity concerns and work with the counterparties to mitigate risk.
3. Staff urges broker-dealers to ****stress test positions with the proper severity in light of current events and potential market movements****, and act to manage the risk of the positions, particularly those that are concentrated, appropriately.
4. ****Staff urges broker-dealers to monitor risk management limits****, calibrated to the financial resources of the broker-dealer, closely intraday and escalate any breaches promptly to senior management.

This statement represents the views of the Staff. It is not a rule, regulation, or statement of the Securities and Exchange Commission ("Commission"). The Commission has neither approved nor disapproved its content. This statement, like all staff statements, has no legal force or effect: it does not alter or amend applicable law, and it creates no new or additional obligations for any person.