

Investment Firms Regulations,
Markets Policy Division,
Central Bank of Ireland,
New Wapping Street,
North Wall Quay,
Dublin 1

20th September 2017

Dear Sir/Madam,

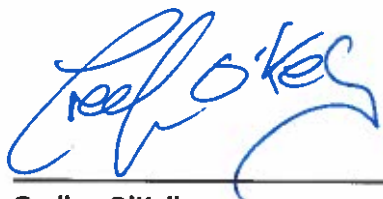
Re: CP 111 Consultation Paper on Second Edition of the Central Bank Investment Firms Regulation

Thank you for the opportunity to consider the proposed changes to the *Client Asset Regulations* as they are integrated into the *Central Bank Investment Firms Regulations*.

In finalising your deliberations I ask that you consider amending Regulations 49(8) and 50(7) to require an annual review of the arrangements for holding client assets as opposed to the bi-annual review that is currently mandated under CAR. The existing requirements have now been in force for a period approaching two years and our experience over that time is that there is no additional practical protection afforded by a bi-annual review compared to our preferred solution. The criteria against which this review is conducted (for example the adequacy of the legal and jurisdictional environment) are not expected to change regularly, and I suggest that if there was such a change it would be a material event and would warrant immediate action in any case.

I trust that you will take the above into consideration as you finalise your amendments to the legislation.

Yours faithfully,



Grellan O'Kelly
Chief Risk Officer &
Head of Client Asset Oversight
Davy Group
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