

## **LGT Capital Partners (Ireland) Limited**

### **Submission on CP 38 - Telephone Records and Electronic Communications under the European Communities (Markets in Financial Instruments) Regulations 2007**

We refer to the attached Financial Regulator's July 2008 Consultation Paper (CP 38) in relation to the above mentioned matter and the proposed introduction of an obligation for MiFID firms to record all electronic communications involving client orders and maintain such records for a period of at least two years.

LGT Capital Partners (Ireland) Limited (the "Company") provides portfolio management services to Irish regulated private equity and hedge fund structures (the "Clients"). The Company, on behalf of the Clients, makes decisions to invest in underlying investments (i.e. private equity and hedge funds) based on the proposals and recommendations submitted to the Company by an Investment Advisor in respect of the Clients. The Company then executes, on behalf of the Clients, the proposed investment by way of execution of an underlying limited partnership agreement (in the case of underlying private equity funds) or execution of a subscription agreement (in the case of underlying hedge funds). Electronic communication is the chosen mode of communication in respect of both stages of the foregoing procedure.

We would be grateful if you could please clarify whether electronic communications concerning (i) the receipt of recommendations by the Company from Investment Advisor in respect of the Clients and (ii) the investment into underlying partnerships/hedge funds by the Company on behalf of the Clients, could be construed as '*electronic communications involving client orders*'. Please note that it is the Company's practice to keep a record of all electronic communications from recent years therefore we are satisfied that the Company would meet the proposed obligations if introduced, however, we would be interested to receive your views regarding whether such obligations would in fact apply to the Company.