

GENERAL LICENCE
WIND DOWN OF TRUST SERVICES PROVIDED TO DESIGNATED
PERSONS

Legal Notice 21 of 2023

This Licence is granted by the Governor under regulation 64 of the Russia (Sanctions)(EU Exit) Regulations 2019 (“the 2019 Regulations”) as extended to the Turks and Caicos Islands with modifications by the Russia (Sanctions)(Overseas Territories) Order 2020 (“the 2020 Order”).

1. The 2019 Regulations as modified and extended to the Turks and Caicos Islands are referred in this Licence as the “Russia Regulations”.

2. Any act which would otherwise breach the prohibitions in regulation 18C of the Russia Regulations is exempt from those prohibitions to the extent required to give effect to the permissions in this Licence.

Interpretation

3. In this Licence—

“day” means any day, including Saturday, Sunday, Christmas Day, Good Friday, and any day which is a public holiday under the Public Holidays Ordinance;

“designated persons” means any person designated under regulation 5 of the 2019 Regulations for the purposes of regulation 18C;

“for the benefit of a designated person” means where Trust Services are provided for the benefit of a person (“B”) where—

- (a) B is beneficiary of a trust or similar arrangement;
- (b) B is referred to as a potential beneficiary in a document from the settlor relating to a trust or similar arrangement; or
- (c) having regard to all the circumstances, B might reasonably be expected to obtain, or to be able to obtain, a significant financial benefit from the trust or similar arrangement;

“Governor” means the person holding or acting in the Office of Governor of the Turks and Caicos Islands in accordance with section 131 of the Turks and Caicos Islands’ Constitution Order 2011;

“participants to the trust” means beneficiaries, trustees, settlors, protectors and any other person who has control over the Trust and also includes a person who holds a similar position in a similar arrangement;

“person” means an individual, a body of persons corporate or unincorporated, any organisation or any association or combination of persons;

“relevant business” means the business of a financial business;¹

“trust” means trusts or similar arrangements;

“trust services” means services prohibited by regulation 18C of the Russia Regulations, consisting of—

- (a) the creation of a trust or similar arrangement;
- (b) the provision of a registered office, business address, correspondence address or administrative address for a trust or similar arrangement;
- (c) the operation or management of a trust or similar arrangement; or
- (d) acting or arranging for another person to act as trustee of a trust or similar arrangement.

Permissions

4. Under this Licence, subject to the conditions in paragraph 6 below, any activity may be undertaken by a person necessary to terminate an arrangement between them and a designated person for that person to provide trust services including—

- (a) the continued provision of trust services being provided to a designated person on the date they were designated; and
- (b) trust services provided to a designated person after the date they were designated.

¹ In the circumstances, the obligation to disclose is imposed on any person where the information came to that person “in the course of the relevant business”. The disclosure requirements therefore apply to the financial business itself as well as directors and all employees of a financial business. The knowledge or suspicion may relate to any person, including the financial business itself. Therefore, if a financial business (or one of its employees) believes that the financial business may have, itself, committed a money laundering or terrorist financing offence, for example by becoming concerned in an arrangement facilitating money laundering or terrorist financing, a report must be made.

5. A relevant business may conduct activities including processing payments made in accordance with paragraph 4 above.

6. The permissions in this Licence do not authorise any act which would breach the prohibitions in regulations 11-15 of the Russia Regulations or would be exempt under regulation 60ZZB (1)(b) of the Russia Regulations.

Reporting requirements

7. Within 30 days of undertaking an activity under this Licence, the person shall report to the Governor and the Director of the Financial Intelligence Agency with details and supporting evidence of—

- (a) details of the designated persons;
- (b) details of any participants to the trust who—
 - (i) are owned or controlled by a designated person in accordance with regulation 7 of the Russia Regulations; or
 - (ii) are not owned or controlled by a designated person in accordance with regulation 7 of the Russia Regulations but provide trust services to or for the benefit of a designated person;
- (c) value and type of any assets dealt with pursuant to the activity undertaken; and
- (d) details of the activity undertaken pursuant to this Licence, including but not limited to the trust services provided, and in respect of any payments made—
 - (i) the date payment was made;
 - (ii) the amount of the payment;
 - (iii) the reason for the payment; and
 - (iv) the payment route used.

Record keeping requirements

8. A person shall keep accurate, complete and readable records, on paper or electronically, of any activity purporting to have been permitted under this Licence for a minimum of 6 years.

General

9. The permissions in this Licence do not authorise any act which the person carrying out the act knows, or has reasonable grounds for suspecting, will result in a breach of any part of the Russia Regulations, save as permitted under this or other licences granted under the Russia Regulations.

10. Information provided to the Governor and the Director of the Financial Intelligence Agency in connection with this Licence shall be disclosed to third parties only in compliance with Part VI of the Financial Intelligence Agency Ordinance.

11. This Licence takes effect from the date of issue and shall expire, in respect of each designated person with whom a person has an arrangement to provide trust services, at 23:59 on the 90th day from 00:01 on the date that person is designated for the purposes of Regulation 18C.

12. The Governor may vary, revoke or suspend this Licence at any time.

MADE this 21st day of March 2023.

NIGEL DAKIN
GOVERNOR