



Isle of Man Government

The Treasury

GENERAL LICENCE

IOM/2022/RUS033

IT IS THE RESPONSIBILITY OF ANY PERSON OR PERSONS USING THIS LICENCE TO ENSURE THAT THE ACTIVITIES UNDERTAKEN FALL WITHIN THE TERMS OF THIS LICENCE, AND THAT THE PARTIES COMPLY WITH THE CONDITIONS OF THIS LICENCE IN FULL. IN THE EVENT THAT THE CONDITIONS OF THIS LICENCE ARE NOT COMPLIED WITH IN FULL, IT WILL NOT APPLY TO PERMIT ACTIVITIES TAKEN IN BREACH OF RELEVANT SANCTIONS AND A CRIMINAL PENALTY MAY BE IMPOSED.

1. This licence is granted under regulation 64 of the Russia Regulations and regulation 32 of the Belarus Regulations.
2. The prohibitions in regulations 11-15 of the Russia Regulations and regulations 11-15 of the Belarus Regulations do not apply to any act necessary to give effect to the Licence.
3. In this licence (including Parts A and B):

"DP" means	any individual or body of persons (corporate or unincorporate) designated by the Secretary of State under regulation 5 of the Russia Regulations (as it has effect in the United Kingdom) or regulation 5 of the Belarus Regulations (as it has effect in the United Kingdom) and/or any individual or body of persons (corporate or unincorporate) owned or controlled by that designated person as determined under the criteria set out in the Russia Regulations or the Belarus Regulations (in particular regulation 7 of and Schedule 1 to each of those Regulations).
"Economic Resources" means	assets of every kind, whether tangible or intangible, moveable or immovable, which are not funds but can be used to obtain funds, goods or services.
"Funds" means	means financial assets and benefits of every kind, including (but not limited to) — (a) cash, cheques, claims on money, drafts, money orders and other payment instruments; (b) deposits, balances on accounts, debts and debt obligations; (c) publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivative products;

	<p>(d) interest, dividends and other income on or value accruing from or generated by assets;</p> <p>(e) credit, rights of set-off, guarantees, performance bonds and other financial commitments;</p> <p>(f) letters of credit, bills of lading and bills of sale;</p> <p>(g) documents providing evidence of an interest in funds or financial resources;</p> <p>(h) any other instrument of export financing.</p>
a "Person" means	a body of persons corporate or unincorporate, but does not include a DP.
a "Relevant Institution" means	<p>(a) a person who is licensed under the Financial Services Act 2008 (of Tynwald) to carry on a regulated activity within the meaning of section 3 of that Act;</p> <p>(b) a person who is authorised or registered under the Insurance Act 2008 (of Tynwald) or holds a permit under that Act;</p> <p>(c) a person who is registered under the Moneylenders Act 1991 (of Tynwald) to carry on the business of lending money;</p> <p>(d) a person who is acting as a trustee or an administrator of a retirement benefits scheme within the meaning of the Retirement Benefits Schemes Act 2008 (of Tynwald)</p>
"the Russia Regulations" means	the Russia Sanctions (EU Exit) Regulations 2019, as they apply to the Isle of Man by the Russia Sanctions (Application) Regulations 2020 [SD 2020/0504]
"the Belarus Regulations" means	the Republic of Belarus (Sanctions) (EU Exit) Regulations 2019, as they extend to the Isle of Man by the Republic of Belarus (Sanctions) (EU Exit) (Isle of Man) Order 2021 [SI 2021/1257]
"data protection legislation"	Has the meaning given in regulation 5(1) of the GDPR and LED Implementing Regulations 2018 [SD 2018/0145]
The "FIU" means	The Financial Intelligence Unit

4. Provided that one of the sets of conditions in either Part A or Part B of this licence are complied with in full any Person or Relevant Institution may:
 - 4.1. Receive payments from a DP;
 - 4.2. Make payments (directly or indirectly) for or on behalf of a DP;
 - 4.3. Make payments for the benefit of a DP;
 - 4.4. Process payments which relate to a DP; and
 - 4.5. Carry out any other act which is reasonably necessary to give effect to 4.1 - 4.4 above.
5. The permissions in this licence do not authorise any act which results in Funds or Economic Resources being made available (directly or indirectly) to any DP.
6. The permissions in this licence do not authorise any act which results in a breach of the Russia Regulations, the Belarus Regulations or any other sanctions regulations that have effect in the Isle of Man save as specifically permitted under this licence.
7. Any Person, Relevant Institution or DP acting under the authority of, or otherwise using this licence should note that the conditions set out in Parts A and B of this licence are not capable of being interchanged: the conditions in one Part must be complied with in full for the activities to fall within the terms of this licence.

8. Information provided to the Treasury or the FIU in connection with this licence shall be disclosed to third parties only in compliance with data protection legislation.
9. This licence takes effect from the date of issue and expires on **28 April 2023**.
10. The Treasury may vary, revoke or suspend this licence at any time.

Signed



Hon Dr A Allinson MHK
Minister for the Treasury
09 November 2022

PART A- LEGAL SERVICES BASED ON A PRIOR OBLIGATION

1. In Part A of this licence:

"advocate" means	a person qualified to practice as an advocate under section 7 of the Advocates Act 1976.
"Expenses" means	any fees or expenses associated with the provision of the Legal Services including (but not limited to): <ul style="list-style-type: none">• fees for expert witnesses;• translation fees;• printing;• travel expenses;• subsistence expenses;• courier expenses;• legal searches;• court transcripts;• administrative fees necessary to provide legal services (i.e. Home Office fees); and• bank transaction fees.
"Law Firm" means	a Person providing legal advice in relation to the Legal Services to a DP.
"Legal Adviser" means	an advocate or a person who is registered as a legal practitioner under section 2 of the Legal Practitioners Act 1986 to provide legal advice in relation to the Legal Services to a DP.
"Legal Services" means	legal services provided to a DP, including legal advice and/or representation in court, whether provided within the Isle of Man or another jurisdiction, in relation to any matter.
"professional legal fees" means	fees charged by a Legal Adviser or a Law Firm for the provision of the Legal Services.

CONDITIONS FOR USE OF THIS LICENCE- NOTE THAT ALL OF THE BELOW CONDITIONS MUST BE SATISFIED/ COMPLIED WITH

2. A payment of:
 - 2.1. Professional legal fees; and/or
 - 2.2. Expenses,must be owed by the DP to a Law Firm, a Legal Adviser or a provider of Expenses.
3. The payment must be in relation to Legal Services which have been provided, or which are being provided to a DP by a Law Firm, Legal Adviser or to Expenses.
4. The payment must be owed in accordance with an obligation which was entered into by the DP prior to the date of that DP's designation, or in the case of DPs which are owned and controlled, the owner/controller of that DP's designation, either under the Russia Regulations, the Belarus Regulations or Council Regulation (EU) No 269/2014, as it had effect in the Isle of Man (whichever was earlier).
5. The professional legal fees must not exceed £500,000.00 (including VAT if applicable) in total for the duration of this licence.
6. The Expenses (including VAT if applicable) must not exceed (in total) either:
 - 6.1. 5% of the amount payable for the professional legal fees; or

6.2. £25,000.00;

whichever is lower, for all of the Expenses for the duration of this licence.

7. If at any point either:

7.1. It is estimated that in any individual case the limits for the professional legal fees or Expenses set out above will be exceeded; or

7.2. In any individual case, the limits for the professional legal fees or Expenses set out above are in fact exceeded,

this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.

8. All payments made under this Part must:

8.1. be paid directly to an account held in the Isle of Man with a Relevant Institution by a Law Firm, Legal Adviser or a provider of Expenses; or

8.2. be paid on behalf of a DP to a provider of Expenses by a Law Firm or Legal Adviser, to an account held in the Isle of Man with a Relevant Institution by a provider of Expenses, either before or after payment from the DP is received.

Reporting

9. Within 7 days of either (a) the Legal Services being completed, or (b) this licence coming to an end (either on its expiry date or before then as publicised by the Treasury in accordance with this licence), any DP or Person who has used the licence must send to the Treasury, by email to customs@gov.im:

9.1. The relevant letter of engagement between the DP and the Legal Adviser or Law Firm;

9.2. Any other document, communication or other record which sets out the obligation pursuant to which payment is made;

9.3. The relevant invoice(s) which are being paid; and

9.4. A completed "Pre-Designation Legal Fees General Licence Reporting Form Part A".

Record-keeping Requirements

10. A DP or Person must 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.

PART B- LEGAL SERVICES NOT BASED ON A PRIOR OBLIGATION

1. In Part B of this licence:

" advocate " means	a person qualified to practice as an advocate under section 7 of the Advocates Act 1976.
" Expenses " means	any fees or expenses associated with the provision of the Legal Services including (but not limited to): <ul style="list-style-type: none"> • fees for expert witnesses; • translation fees; • printing; • travel expenses; • subsistence expenses; • courier expenses; • legal searches; • court transcripts; • administrative fees necessary to provide legal services (i.e. Home Office fees); and • bank transaction fees.
" Law Firm " means	a Person providing legal advice in relation to the Legal Services to a DP.
" Legal Adviser " means	an advocate or a person who is registered as a legal practitioner under section 2 of the Legal Practitioners Act 1986 to provide legal advice in relation to the Legal Services to a DP.
" Legal Services " means	legal services provided to a DP, including legal advice and/or representation in court, whether provided within the Isle of Man or another jurisdiction, in relation to any matter.
" professional legal fees " means	fees charged by a Legal Adviser or a Law Firm for the provision of the Legal Services.

CONDITIONS FOR USE OF THIS LICENCE - NOTE THAT ALL OF THE BELOW CONDITIONS MUST BE SATISFIED/ COMPLIED WITH

2. A payment of:
 - 2.1. professional legal fees; and/or
 - 2.2. Expenses

must be owed by a DP to a Law Firm, a Legal Adviser or a provider of Expenses.
3. The payment must be in relation to Legal Services which have been provided, or are being provided by the Law Firm or Legal Adviser to a DP, or to Expenses.
4. The professional legal fees must not exceed £500,000.00 (including VAT if applicable) in total for the duration of this licence.
5. The Expenses (including VAT if applicable) must not exceed (in total) either:
 - 5.1. 5% of the amount payable for the professional legal fees; or
 - 5.2. £25,000.00,

whichever is lower, for all of the Expenses for the duration of this licence.
6. If at any point either:

- 6.1. It is estimated that in any individual case the limits for the professional legal fees or Expenses set out above will be exceeded; or
- 6.2. In any individual case, the limits for professional legal fees or Expenses set out above are in fact exceeded,

this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.

- 7. The hourly rates for provision of the professional legal fees by a Legal Adviser must not exceed those rates listed in paragraph 12 of this part of the licence in any individual case.
- 8. If at any point any one hourly rate, for a Legal Adviser exceeds the hourly rates set out in this licence, this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.
- 9. All payments made under this Part must either:
 - 9.1. be paid directly to an account held in the Isle of Man with a Relevant Institution by a Law Firm, Legal Adviser or a provider of Expenses; or
 - 9.2. be paid on behalf of a DP to a provider of Expenses, by a Law Firm, Legal Adviser to an account held in the Isle of Man with a Relevant Institution by a provider of Expenses, either before or after payment from the DP is received.

Reporting

- 10. Within 7 days of either (a) the Legal Services being completed, or (b) this licence coming to an end (either on its expiry date or before then as publicised by the Treasury in accordance with this licence), any DP or Person who has used this licence must send to the Treasury, by email to customs@gov.im:
 - 10.1. The relevant letter of engagement between the DP and the Legal Adviser or Law Firm;
 - 10.2. Details of the name, employment, experience and the years of post - qualification experience of any Legal Adviser;
 - 10.3. The relevant invoice(s) which are being paid; and
 - 10.4. A completed "Post-Designation Legal Fees General Licence Reporting Form Part B".

Record-keeping Requirements

- 11. A DP or Person must 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.

Hourly rates (excluding VAT)

12. LEGAL ADVISERS

Fee earner	Hourly rate
legal advisers with over 5 years' experience.	£650
trainee advocates and legal advisers with under 5 years' experience	£300