
STATUTORY INSTRUMENTS

2014 No. 2054

The Ukraine (European Union Financial
Sanctions) (No.3) Regulations 2014

PART 1

General

Citation, commencement and application

1.—(1) These Regulations may be cited as the Ukraine (European Union Financial Sanctions) (No.3) Regulations 2014 and shall come into force at 3.00 p.m. on 1st August 2014.

(2) An offence under these Regulations may be committed by conduct wholly or partly outside the United Kingdom by—

- (a) a UK national, or
- (b) a body incorporated or constituted under the law of any part of the United Kingdom.

(3) In paragraph (2)—

“conduct” includes acts and omissions;

“UK national” means—

- (a) a British citizen,
- (b) a British overseas territories citizen who acquired their citizenship from a connection with Gibraltar, or
- (c) a British subject under Part 4 of the British Nationality Act 1981 (British subjects)(1) with the right of abode in the United Kingdom.

Interpretation

2.—(1) In these Regulations—

“the 2000 Act” means the Financial Services and Markets Act 2000(2);

“the Council Regulation” means Council Regulation (EU) No. 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine, and a reference to an Annex to that Regulation is to be construed as a reference to that Annex as amended from time to time;

“document” includes information recorded in any form and, in relation to information recorded otherwise than in legible form, references to its production include producing a copy of the information in legible form;

“relevant institution” means—

(1) 1981 c.61. Part 4 was amended by the British Overseas Territories Act 2002 (c.8), section 1(1)(b) and the Nationality, Immigration and Asylum Act 2002 (c.41), sections 15 and 161, Schedule 2, paragraph 1(i) and Schedule 9.

(2) 2000 c.8.

- (a) a person who has permission under Part 4A of the 2000 Act (permission to carry on regulated activities)(3),
 - (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to the 2000 Act (EEA passport rights)(4) which has permission under paragraph 15 of that Schedule(5) (as a result of qualifying for authorisation under paragraph 12 of that Schedule(6)) to accept deposits, or
 - (c) an undertaking which by way of business operates a currency exchange office, transmits money (or any representations of monetary value) by any means or cashes cheques which are made payable to customers.
- (2) The definition of “relevant institution” in paragraph (1) must be read with—
- (a) section 22(7) of the 2000 Act (regulated activities);
 - (b) any relevant order under that section(8); and
 - (c) Schedule 2(9) to that Act (regulated activities).
- (3) Any expression used both in these Regulations and in the Council Regulation has the meaning that it bears in the Council Regulation.

PART 2

Restrictions on Financial Services

Dealing with transferable securities and money-market instruments

3.—(1) A person (“P”) must not directly or indirectly purchase, sell, provide brokering or assistance in the issuance of, or otherwise deal with transferable securities or money-market instruments with a maturity exceeding 90 days, issued after 1 August 2014 by a person, entity or body falling within paragraph (2).

- (2) The following persons, entities or bodies fall within this paragraph—
- (a) a major credit institution or other major institution listed in Annex III to the Council Regulation,
 - (b) a legal person, entity or body established outside the European Union, more than 50% of the proprietary rights of which are owned by a legal person, entity or body falling within sub-paragraph (a),
 - (c) a legal person, entity or body acting on behalf of, or at the direction of, a legal person, entity or body falling within sub-paragraphs (a) or (b).

(3) Part 4A was inserted by the Financial Services Act 2012 (c.21), section 11(2) and amended most recently by S.I. 2013/3115.

(4) As amended by S.I. 2006/3221 and S.I. 2013/3115.

(5) As amended by the Enterprise Act 2002 (c.40), section 278(1), Schedule 25, paragraph 40(1) and (19)(a), the Consumer Credit Act 2006 (c.14), section 33(9) and by S.I. 2003/2066 and S.I. 2007/3253 and S.I. 2012/1906 and S.I. 2013/1881.

(6) As amended by S.I. 2007/126, S.I. 2007/3253 and S.I. 2012/1906.

(7) Section 22 was amended by the Financial Services Act 2012, section 7(1).

(8) S.I. 2001/544 as amended, most recently by S.I. 2014/1448.

(9) Schedule 2 was amended by the Dormant Bank and Building Society Accounts Act 2008 (c.31), section 15, Schedule 2, paragraph 1, the Regulation of Financial Services (Land Transactions) Act 2005 (c.24), section 1, the Financial Services Act 2012, section 7(2) to (5) and section 8 and by S.I. 2013/1881.

PART 3

Offences

Contravention and circumvention of prohibitions

4.—(1) A person (“P”) who contravenes any of the prohibitions in regulation 3 commits an offence unless P did not know, or had no reasonable cause to suspect that P’s actions would contravene regulation 3.

(2) A person commits an offence who intentionally participates in activities knowing that the object or effect of them is (whether directly or indirectly)—

- (a) to circumvent any of the prohibitions in regulation 3; or
- (b) to enable or facilitate the contravention of any such prohibition.

Officers of a body corporate etc.

5.—(1) Where an offence under these Regulations committed by a body corporate—

- (a) is committed with the consent or connivance of any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity; or
- (b) is attributable to any neglect on the part of any such person;

that person as well as the body corporate is guilty of the offence and is liable to be proceeded against and punished accordingly.

(2) In paragraph (1) “director”, in relation to a body corporate whose affairs are managed by its members, means a member of the body corporate.

(3) Paragraph (1) also applies in relation to a body that is not a body corporate, with the substitution for the reference to a director of the body with a reference—

- (a) in the case of a partnership, to a partner;
- (b) in the case of an unincorporated body other than a partnership—
 - (i) where the body’s affairs are managed by its members, to a member of the body,
 - (ii) in any other case, to a member of the governing body.

Penalties

6.—(1) A person guilty of an offence under regulation 4 is liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both;
- (b) on summary conviction, to imprisonment for a term not exceeding three months or to a fine not exceeding the statutory maximum or to both.

(2) A person guilty of an offence under paragraph 1(3) or 4(1) of the Schedule is liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding level 5 on the standard scale or to both.

Proceedings

7.—(1) Proceedings against any person for an offence under these Regulations may be taken before the appropriate court in the United Kingdom having jurisdiction in the place where that person is for the time being.

- (2) In England and Wales an information relating to an offence that is triable by a magistrates' court may be so tried if it is laid—
- (a) at any time within three years after the commission of the offence; and
 - (b) within twelve months after the date on which evidence sufficient in the opinion of the prosecutor to justify the proceedings comes to the knowledge of the prosecutor.
- (3) In Scotland—
- (a) summary proceedings for an offence may be commenced—
 - (i) before the end of twelve months from the date on which evidence sufficient in the Lord Advocate's opinion to justify the proceedings came to the Lord Advocate's knowledge, and
 - (ii) not later than three years after the commission of the offence; and
 - (b) section 136(3) of the Criminal Procedure (Scotland) Act 1995⁽¹⁰⁾ (time limit for certain offences) applies for the purpose of this paragraph as it applies for the purpose of that section.
- (4) In Northern Ireland summary proceedings for an offence may be instituted—
- (a) at any time within three years after the commission of the offence; and
 - (b) within twelve months after the date on which evidence sufficient in the opinion of the prosecutor to justify the proceedings comes to the knowledge of the prosecutor.
- (5) For the purposes of this regulation a certificate of the prosecutor (or, in Scotland, the Lord Advocate) as to the date on which such evidence as is referred to above came to their notice is conclusive evidence.

Consent to prosecution

- 8.**—(1) Proceedings for an offence under these Regulations (other than for a summary offence) may not be instituted—
- (a) in England and Wales, except by or with the consent of the Attorney General;
 - (b) in Northern Ireland—
 - (i) where the offence is committed wholly or partly outside Northern Ireland, except by or with the consent of the Advocate General for Northern Ireland,
 - (ii) for all other offences, except by or with the consent of the Director for Public Prosecutions for Northern Ireland.
- (2) Nothing in paragraph (1) prevents—
- (a) the arrest of a person in respect of an offence under these Regulations; or
 - (b) the remand in custody or on bail of any person charged with such an offence.

PART 4

Miscellaneous

Information provisions

- 9.** The Schedule (which contains provisions concerning information gathering and disclosure) has effect.

⁽¹⁰⁾ 1995 c.46.

The Crown

10.—(1) These Regulations bind the Crown.

(2) No contravention by the Crown of a provision of these Regulations makes the Crown criminally liable.

(3) The High Court or, in Scotland, the Court of Session may, on the application of a person appearing to the court to have an interest, declare unlawful any act or omission of the Crown that constitutes a contravention of a provision of these Regulations.

(4) Nothing in this regulation affects Her Majesty in Her private capacity.

(5) Paragraph (4) is to be read as if section 38(3) of the Crown Proceedings Act 1947⁽¹¹⁾ (meaning of Her Majesty in Her private capacity) were contained in these Regulations.

Stephen Crabb

Mark Lancaster

Two of the Lords Commissioners of Her
Majesty's Treasury

at 10.30 a.m. on 1st August 2014

⁽¹¹⁾ 1947 c.44.