



## General Licence – Publication Notice

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### General licence - INT/2022/1272278

OFSI has the power to issue General Licences for country sanctions regimes under the Sanctions and Anti-Money Laundering Act 2018 (“the Sanctions Act”).

On 25 February 2022, OFSI issued General Licence INT/2022/1272278 under Regulation 64 of The Russia Sanctions (EU Exit) Regulations 2019 (“The Russia Regulations”) which allows for a 30-day wind down period of positions involving VTB Bank. Any persons intending to use General Licence INT/2022/1272278 should consult the copy of the Licence on this page for full details of the permissions and usage requirements.

For the purposes of General Licence INT/2022/1272278: the DP is VTB Bank; a Subsidiary is any entity owned or controlled by VTB Bank; a Person is an individual, a body of persons corporate or unincorporate, any organisation or any association or combination of persons; and a Relevant Institution is:

- A person that has permission under Part 4A of the Financial Services and Markets Act 2000(3) (permission to carry on regulated activity).
- A person that is authorised or registered under Part 2 of the Payment Services Regulations (SI 2017/752).
- A person that is authorised or registered under Part 2 of the Electronic Money Regulations (SI 2011/99).
- A person that is a “recognised clearing house”, “third country central counterparty”, “recognised CSD” or “third country CSD” for the purposes of s.285 of the Financial Services and Markets Act 2000.
- A person that is an operator of a recognised payment system (or that is a service provider in relation to recognised payment systems) for the purposes of Part 5 of the Banking Act 2009.

Under General Licence INT/2022/1272278 a Person (other than the DP or a Subsidiary) may wind down any transactions to which it is a party, involving the DP or a Subsidiary including the closing out of any positions, and a Person, Relevant Institution, or the DP or a Subsidiary can carry out any activity reasonably necessary to effect this.

Regarding whether funds owed to VTB ought to be placed into a blocked account, General Licence INT/2022/1272278 does not contain a requirement that funds becoming payable to VTB as a necessary part of a person winding down any transactions they have with VTB be paid into a frozen account. With regard to funds becoming payable to any subsidiary of VTB as a necessary part of a person winding down any transactions they have with those subsidiaries needing to be paid into a frozen account, OFSI does not provide legal advice but without prejudice to that we suggest you

consider how the ownership and control provisions in the Russia Regulations could apply to such payment.

## **General**

The permissions in General Licence INT/2022/1272278 do not authorise any act which the person carrying out the act knows, or has reasonable grounds for suspecting, will result in funds or economic resources being made available in breach of The Russia Regulations, save as permitted under licences granted under The Russia Regulations.

The General Licence takes effect from 25 February 2022 and expires on 27 March 2022. The General Licence was amended on 07 March 2022 to update the references to UK legislation and expand the definition of a subsidiary.

Office of Financial Sanctions Implementation

HM Treasury