STATUTORY INSTRUMENTS

2006 No. 2952

The Al-Qaida and Taliban (United Nations Measures) Order 2006

PART 3

Prohibitions and licences

Freezing funds and economic resources of designated persons

7.—(1) A person (including the designated person) must not deal with funds or economic resources belonging to, owned or held by a person referred to in paragraph (2) unless he does so under the authority of a licence granted under article 11.

(2) The prohibition in paragraph (1) applies in respect of—

(a) any designated person;

(b) any person owned or controlled, directly or indirectly, by a designated person; and

(c) any person acting on behalf or at the direction of a designated person.

(3) A person who contravenes the prohibition in paragraph (1) is guilty of an offence.

(4) In proceedings for an offence under this article, it is a defence for a person to show that he did not know and had no reasonable cause to suspect that he was dealing with funds or economic resources belonging to, owned or held by a person referred to in paragraph (2).

(5) This article is subject to article 5(2).

(6) In this article, "deal with" means—

(a) in respect of funds—

(i) use, alter, move, allow access to or transfer;

(ii) deal with in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination; or

(iii) make any other change that would enable use, including portfolio management; and

(b) in respect of economic resources, use to obtain funds, goods or services in any way, including (but not limited to) by selling, hiring or mortgaging the resources.

Making funds or economic resources available to designated persons etc.

8.—(1) A person must not make funds or economic resources available, directly or indirectly, to or for the benefit of a person referred to in article 7(2) unless he does so under the authority of a licence granted under article 11.

(2) A person who contravenes the prohibition in paragraph (1) is guilty of an offence.

(3) In proceedings for an offence under this article, it is a defence for a person to show that he did not know and had no reasonable cause to suspect that he was making funds or economic resources available, directly or indirectly, to or for the benefit of a person referred to in article 7(2).

(4) This article is subject to articles 4(3) and 5(2).

Exceptions

9.—(1) A person is not guilty of an offence under article 7 or 8 if he credits a frozen account with—

(a) interest or other earnings due on the account; or

(b) where the account holder is a designated person, payments due under contracts, agreements or obligations that were concluded or arose prior to the date that an account holder became a designated person.

(2) For the avoidance of doubt, article 7 applies to any funds credited to a frozen account in accordance with this article.

(3) In this article "frozen account" means an account of a person referred to in article 7(2).

Circumventing prohibitions etc.

10. A person is guilty of an offence if he participates, knowingly and intentionally, in activities the object or effect of which is, directly or indirectly, to—

(a) circumvent a prohibition in article 7(1) or 8(1), or

(b) enable or facilitate the commission of an offence under article 7 or 8.

Licences

11.—(1) The Treasury may grant a licence to exempt acts specified in the licence from the prohibition in article 7(1) or 8(1).

(2) A licence may be—

(a) general or granted to a category of persons or to a particular person;

(b) subject to conditions;

(c) of indefinite duration or subject to an expiry date.

(3) The Treasury may vary or revoke a licence at any time.

(4) The Treasury, where they grant, vary or revoke a licence, must—

(a) in the case of a licence granted to a particular person, give written notice of the licence, variation or revocation to that person, and

(b) in the case of a general licence or a licence granted to a category of persons, take such steps as the Treasury consider appropriate to publicise the licence, variation or revocation.

(5) Any person who, for the purpose of obtaining a licence, knowingly or recklessly makes any statement or furnishes any document or information which is false in a material particular is guilty of an offence.

(6) Any person who has done any act under the authority of a licence and who fails to comply with any conditions attaching to that licence is guilty of an offence.