
STATUTORY INSTRUMENTS

2019 No. 855

The Russia (Sanctions) (EU Exit) Regulations 2019

PART 3

Finance

CHAPTER 2

Other financial and investment restrictions

Loans and credit arrangements

17.—(1) A person (“P”) must not directly or indirectly grant a relevant loan if P knows, or has reasonable cause to suspect, that P is granting a relevant loan.

(2) A person must not directly or indirectly enter into any arrangement to grant a relevant loan if the person knows, or has reasonable cause to suspect, that the arrangement relates to a relevant loan.

[^{F1}(2A) A person must not make funds or economic resources available to a relevant entity (“E”) where the purposes of making those funds or economic resources available is to enable E to grant a relevant loan on or after 16th December 2022.]

(3) Paragraphs (1) [^{F2}, (2) and (2A)] are subject to [^{F3}Part 7 (Exceptions and licences)].

(4) A person who contravenes a prohibition in paragraph (1) [^{F4}, (2) or (2A)] commits an offence.

(5) In this regulation—

^{F5}
...

[^{F6}“category 1 loan” means a loan or credit—

(a) with a maturity exceeding 30 days,

(b) made or granted to—

(i) a person falling within Schedule 2,

(ii) a person, other than an individual, which is—

(aa) incorporated or constituted under the law of a non-UK country, and

(bb) owned ^{F7}... by a person within paragraph (i), or

(iii) a person, other than an individual, acting on behalf or at the direction of a person within paragraph (i) or paragraph (ii), and

(c) which is first made or granted at any time after IP completion day;

“category 2 loan” means a loan or credit—

(a) with a maturity exceeding 30 days,

(b) made or granted to a person, other than an individual, which is—

(i) incorporated or constituted under the law of any part of the United Kingdom, and

(ii) owned ^{F8}... by a person falling within Schedule 2, and

- (c) which is first made or granted at any time on or after 1st March 2022;
- “category 3 loan” means a loan or credit—
- (a) with a maturity exceeding 30 days,
 - (b) made or granted to a person, other than an individual, which is—
 - (i) connected with Russia,
 - (ii) owned ^{F9}... by a person within sub-paragraph (i), or
 - (iii) a person, other than an individual, acting on behalf or at the direction of a person within paragraph (i) or paragraph (ii),
 - (c) [^{F10}which is first made or granted at any time on or after 1st March 2022 but before [^{F11}29th October 2022], and,]
 - (d) which is not—
 - (i) a category 1 loan, a category 2 loan or a category 4 loan, or
 - (ii) a loan made or granted to—
 - (aa) a person, other than an individual, which on 1st March 2022 is domiciled in a country other than Russia,
 - (bb) a person, other than an individual, which is owned by a person falling within sub-paragraph (aa), or
 - (cc) a person, other than an individual, acting on behalf or at the direction of a person within sub-paragraph (aa) or sub-paragraph (bb);
- “category 4 loan” means a loan or credit—
- (a) made or granted to the Government of Russia,
 - (b) which is first made or granted at any time on or after 1st March 2022;]
- [^{F12}“category 5 loan” means a loan or credit—
- (a) with a maturity exceeding 30 days,
 - (b) made or granted to a person, other than an individual—
 - (i) which is connected with Russia, other than—
 - (aa) a person which on [^{F13}29th October 2022] is incorporated or constituted in a country other than Russia, or
 - (bb) a person which is owned by a person falling within paragraph (aa),
 - (ii) a person which is owned by a person within sub-paragraph (i), or
 - (iii) a person which is owned by a person connected with Russia who is an individual,
 - (c) which is first made or granted at any time on or after [^{F13}29th October 2022], and
 - (d) which is not a category 1 loan, a category 2 loan, a category 3 loan or a category 4 loan.]
- [^{F14}“category 6 loan” means a loan or credit—
- (a) made or granted to a relevant entity,
 - (b) which is for the purposes of an activity mentioned in regulation 18B(2),
 - (c) which is first made or granted at any time on or after 16th December 2022, and
 - (d) which is not a category 1 loan, a category 2 loan, a category 3 loan, a category 4 loan or a category 5 loan;]
- “non-UK country” means a country that is not the United Kingdom;

[^{F15}“owned” means owned within the meaning of regulation 16(7);]

[^{F16}“relevant entity” has the meaning given in regulation 18B(8);]

[^{F17}“relevant loan” means a category 1 loan, a category 2 loan, a category 3 loan [^{F18}, a category 4 loan [^{F19}, a category 5 loan or a category 6 loan]]:]

^{F20} ...

Textual Amendments

- F1** Reg. 17(2A) inserted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(a)**
- F2** Words in reg. 17(3) substituted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(b)**
- F3** Words in reg. 17(3) substituted (1.3.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022 (S.I. 2022/194), regs. 1(2), **6(a)**
- F4** Words in reg. 17(4) substituted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(c)**
- F5** Words in reg. 17(5) omitted (16.12.2022) by virtue of The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(i)**
- F6** Words in reg. 17(5) inserted (1.3.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022 (S.I. 2022/194), regs. 1(2), **6(b)(i)**
- F7** Words in reg. 17(5) omitted (29.10.2022) by virtue of The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(3)**
- F8** Words in reg. 17(5) omitted (29.10.2022) by virtue of The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(4)**
- F9** Words in reg. 17(5) omitted (29.10.2022) by virtue of The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(5)(a)**
- F10** Words in reg. 17(5) substituted (29.10.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(5)(b)**
- F11** Words in reg. 17(5) substituted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(ii)**
- F12** Words in reg. 17(5) inserted (29.10.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(6)**
- F13** Words in reg. 17(5) substituted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(iii)**
- F14** Words in reg. 17(5) inserted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(iv)**
- F15** Words in reg. 17(5) inserted (29.10.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(7)**
- F16** Words in reg. 17(5) inserted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(v)**
- F17** Words in reg. 17(5) substituted (1.3.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022 (S.I. 2022/194), regs. 1(2), **6(b)(ii)**
- F18** Words in reg. 17(5) substituted (29.10.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 15) Regulations 2022 (S.I. 2022/1110), regs. 1(2)(b), **3(8)**
- F19** Words in reg. 17(5) substituted (16.12.2022) by The Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022 (S.I. 2022/1331), regs. 1(2)(b), **5(d)(vi)**
- F20** Words in reg. 17(5) omitted (1.3.2022) by virtue of The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022 (S.I. 2022/194), regs. 1(2), **6(b)(iii)**

Changes to legislation: There are currently no known outstanding effects for the The Russia (Sanctions) (EU Exit) Regulations 2019, Section 17. (See end of Document for details)

Commencement Information

- II** Reg. 17 in force at 31.12.2020 on IP completion day (in accordance with [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)), see reg. 1(2)

Changes to legislation:

There are currently no known outstanding effects for the The Russia (Sanctions) (EU Exit) Regulations 2019, Section 17.