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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations are made under the Sanctions and Anti-Money Laundering Act 2018 (c. 13) to amend the Russia (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/855) (“the 2019 Regulations”). Regulations 3 to 8 amend Part 2 (Designation of persons) and Part 3 (Finance) of the 2019 Regulations primarily to—

- impose a new restriction in relation to the provision of trust services to designated persons or persons connected with Russia, and
- extend provisions in Chapter 2 of Part 3 (other financial and investment restrictions) prohibiting certain activities relating to a person (other than an individual) that is not a person connected with Russia.

Regulations 9 and 10 amend Part 5 (Trade) of the 2019 Regulations to add additional services to the existing provisions imposing restrictions relating to professional and business services.

Regulations 11 to 16 provide for exceptions and licences relating to the restrictions introduced by regulations 3 to 10, by amendments to Part 7 (Exceptions and licences) of the 2019 Regulations.

Regulations 17 and 18 amend the provisions relating to reporting and information in Part 8 (Information and records) of the 2019 Regulations in relation to trust services.

Regulation 19 makes supplementary provision to modify the effect of the Banking Act 2009 so that the duty of the Bank of England to make a decision under section 89H(2) of that Act does not apply in relation to the notification of third-country resolution action (within the meaning of section 89H(7) of that Act) in respect of a designated person, or a person owned or controlled by a designated person.

Regulation 20—

- amends Schedules 2A and 3C to add further items to the lists of goods, trade in which is prohibited under Part 5,
- inserts Schedule 3J containing the definitions of professional and business services, in consequence of the amendments made by regulation 10, and
- amends Schedule 5 to set out the purposes for which Treasury licenses may be issued in relation to trust services.

Regulation 21 and Schedule 4 correct errors made in previous Regulations amending the 2019 Regulations.

A full impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector has been published alongside these Regulations and is available from [legislation.gov.uk](https://legislation.gov.uk) or from the Foreign, Commonwealth and Development Office, King Charles Street, London SW1A 2AH.