
STATUTORY INSTRUMENTS

2022 No. 1331

**The Russia (Sanctions) (EU Exit)
(Amendment) (No. 17) Regulations 2022**

Insertion of regulation 60ZZB (exceptions relating to trust services)

13. After regulation 60ZZA, insert—

“Exceptions relating to trust services

60ZZB.—(1) The prohibitions in regulation 18C (trust services) are not contravened by any act done by a person (“P”)—

- (a) in satisfaction of an obligation in respect of the provision of trust services by P to or for the benefit of—
 - (i) a designated person, or
 - (ii) a person connected with Russia,where those services are provided in relation to the discharge of or compliance with UK statutory or regulatory obligations;
- (b) for the purposes of complying with the prohibitions and obligations in Chapter 1 of Part 3 (asset freeze etc.);
- (c) in connection with transferable securities or money-market instruments where dealing with such securities or instruments is not prohibited by regulation 16 or 18B.

(2) The prohibitions in regulation 18C are not contravened by the provision of the following trust services where the condition in paragraph (3) is met—

- (a) trust services provided to a community amateur sports club registered as such with His Majesty’s Revenue and Customs;
- (b) trust services provided to a trust for charitable services which—
 - (i) in Scotland or Northern Ireland, is registered as a charity, or
 - (ii) in England and Wales, is registered as a charity or is not required to register by virtue of section 30(2) of the Charities Act 2011 (charities required to be registered: general)(1);
- (c) trust services provided to a pension scheme that is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 (registration of pension schemes)(2);
- (d) trust services for the purposes of a trust—
 - (i) created under, or for the purpose of, the default arrangements of a designated system or the default rules of a recognised body, or for the purpose of any

(1) 2011 c. 25. Section 30(2)(c)(i) was amended by S.I. 2016/997.

(2) 2004 c. 12. See section 150(2) for the meaning of “registered pension scheme”.

- action or proceedings taken by, or for, such a system or body under such arrangements or rules;
- (ii) relating to the creation of a beneficial interest in securities belonging to a person whose name and address are maintained on a register of securities;
- (iii) created by, or for, a segregating entity for the purpose of—
- (aa) protecting funds or economic resources belonging to the segregating entity’s clients, or
- (bb) complying with a legal obligation to safeguard and segregate funds or economic resources belonging to the segregating entity’s clients or to keep separate client records and accounts;
- (e) trust services provided by the operator or trustee of an authorised unit trust scheme in relation to that scheme;
- (f) trust services provided in the course of, or in connection with, carrying on by way of business the activity specified in the following articles of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001⁽³⁾—
- (i) article 40 (safeguarding and administering investments),
- (ii) article 51ZB (acting as trustee or depositary of a UK UCITS), or
- (iii) article 51ZD (acting as trustee or depositary of an AIF),
- except in so far as the activity relates to an unauthorised unit trust scheme;
- (g) trust services provided in the course of, or in connection with, the acting by way of business as an agent holding funds, economic resources or documents in escrow until the performance of a contractual condition agreed between two or more other persons, including the person for whom the funds, economic resources or documents are being held.
- (3) The condition in this paragraph is that the trust services are not provided primarily to, or for the benefit of, a designated person or a person connected with Russia.
- (4) Where the condition in paragraph (5) is met, the prohibitions in regulation 18C are not contravened by the provision of trust services for making funds and economic resources available to or for the benefit of—
- (a) a person under the age of 18,
- (b) a person who lacks capacity within the meaning of section 2 of the Mental Capacity Act 2005 (people who lack capacity)⁽⁴⁾,
- (c) a person who is incapable within the meaning of section 1 of the Adults with Incapacity (Scotland) Act 2000 (general principles and fundamental definitions)⁽⁵⁾, or
- (d) a person who is incapable of managing and administering their property and affairs, by reason of mental disorder within the meaning of article 3(1) of the Mental Health (Northern Ireland) Order 1986 (definition of “mental disorder” and related expressions)⁽⁶⁾.
- (5) The condition in this paragraph is that the trust services are not provided primarily to, or for the benefit of, a designated person.

(3) [S.I. 2001/544](#). Articles 51ZB and 51ZD were substituted by [S.I. 2013/1773](#) and both articles were amended by [S.I. 2019/632](#) (as itself amended by [S.I. 2019/1212](#)).

(4) [2005 c. 9](#).

(5) [2000 asp 4](#).

(6) [1986/595 \(N.I. 4\)](#).

(6) In this regulation, whether trust services are provided for the benefit of a person is to be construed in accordance with regulation 18C.

(7) In this regulation—

“FSMA” means the Financial Services and Markets Act 2000(7);

“the 1999 Regulations” means the Financial Markets and Insolvency (Settlement Finality) Regulations 1999(8);

“authorised unit trust scheme” has the meaning given in section 237 of FSMA (other definitions)(9);

“clearing member” has the meaning given in section 190(1) of the Companies Act 1989 (minor definitions)(10);

“community amateur sports club” has the meaning given in section 658 of the Corporation Tax Act 2010 (meaning of “community amateur sports club” and “registered club”)(11);

“default arrangements” has the meaning given in regulation 2(1) of the 1999 Regulations (interpretation)(12);

“default rules” has the meaning given in section 188 of the Companies Act 1989 (meaning of “default rules” and related expressions)(13);

“designated person” has the meaning given in regulation 18C(7);

“designated system” has the meaning given in regulation 2(1) of the 1999 Regulations(14);

“the operator” has the meaning given in section 237 of FSMA;

“participant” has the meaning given in regulation 2(1) of the 1999 Regulations(15);

“person connected with Russia” is to be construed in accordance with regulation 19A(2);

“recognised body” has the meaning given in section 313 of FSMA (interpretation of Part XVIII)(16);

“recognised central counterparty” has the meaning given in section 313 of FSMA(17);

“register of securities” has the meaning given in regulation 3(1) of the Uncertificated Securities Regulations 2001(interpretation)(18);

“segregating entity” means—

- (a) a clearing member of a recognised central counterparty,
- (b) a participant in a designated system,
- (c) a designated system, or
- (d) a recognised body;

(7) 2000 c. 8.

(8) S.I. 1999/2979.

(9) The definition of “the operator” was amended by the Financial Services Act 2021 (c. 22), paragraph 5 of Schedule 9 and by S.I. 2011/1613, 2013/1388 and 2019/325.

(10) 1989 c. 40. The definition of “clearing member” was amended by S.I. 2013/504.

(11) 2010 c. 4. Section 658 was amended by the Finance Act 2012 (c. 14), section 52(1) and (3), the Finance Act 2013 (c. 29), Schedule 21, paragraphs 4 and 9(2) and by S.I. 2015/725.

(12) The definition of “default rules” was amended by S.I. 2006/50, 2010/2993 and 2013/504.

(13) Section 188 was amended by S.I. 2009/853, 2013/504, 1908, 2017/1064 and 1247.

(14) The definition of “designated system” was substituted by S.I. 2019/341.

(15) The definition of “participant” was amended by S.I. 2010/2993.

(16) The definition of “recognised body” was amended by S.I. 2017/1064, 2020/646.

(17) The definition of “recognised central counterparty” was amended by S.I. 2013/504.

(18) S.I. 2001/3755.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

“trustee” has the meaning given in section 237 of FSMA;

“trust services” has the meaning given in regulation 18C(7);

“unauthorised unit trust scheme” means a “unit trust scheme” within section 237(1) of FSMA that is not an authorised unit trust scheme.”