



Ministry of Legal Affairs and Constitutional Reform

Licence No. 2022 / 05GL

**The Russia (Sanctions) (Overseas Territories) Order 2020
and The Republic of Belarus (Sanctions) (Overseas Territories) Order 2020**

Licence 2022/ 05GL

General Licence (Financial) – Russia Sanctions – Legal Fees

IT IS THE RESPONSIBILITY OF ANY PERSON OR PERSONS USING THIS LICENCE TO ENSURE THAT THE ACTIVITIES UNDERTAKEN FALL WITHIN THE TERMS OF THIS LICENCE, AND THAT THE PARTIES COMPLY WITH THE CONDITIONS OF THIS LICENCE IN FULL. IN THE EVENT THAT THE CONDITIONS OF THIS LICENCE ARE NOT COMPLIED WITH IN FULL, IT WILL NOT APPLY TO PERMIT ACTIVITIES TAKEN IN BREACH OF RELEVANT SANCTIONS AND A CRIMINAL OR MONETARY PENALTY MAY BE IMPOSED.

1. The Minister of Legal Affairs and Constitutional Reform, with the consent of the Secretary of State, in exercise of powers conferred by Regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019¹ and regulation 32 of the Republic of Belarus (Sanctions) (EU Exit) Regulations 2019², with reference to regulations 11-15 of the Russia Regulations (as defined at paragraph 4 below) and regulations 11-15 of the Belarus Regulations (as defined at paragraph 4 below), hereby grants the following General Licence:
2. This authorisation is in exercise of the powers conferred by regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019, with the modifications in Schedule 2 paragraph 38 to the Russia (Sanctions) (Overseas Territories) Order 2020³ and regulation 32 of the Republic of Belarus (Sanctions) (EU Exit) Regulations 2019, with the modifications in Schedule 2 paragraph 19 to the Republic of Belarus (Sanctions) (Overseas Territories) Order 2020⁴. The International Sanctions Regulations 2013 bring these powers into force in Bermuda and the Minister's authorisation is in exercise of the powers conferred by the International Sanctions (Delegation of Governor's Functions) Notice 2018.
3. The prohibitions in regulations 11-15 of the Russia Regulations and regulations 11-15 of the Belarus Regulations do not apply to any act necessary to give effect to the Licence.

¹ S.I. 2019 No 855

² S.I. 2019 No 600

³ S.I. 2020 No 1571

⁴ S.I. 2020 No 1271



4. In this licence (including Parts A and B):

“DP”	means any individual or body of persons (corporate or unincorporate) designated under regulation 5 of the Russia Regulations or the Belarus Regulations and/ or any individual or body of persons (corporate or unincorporate) owned or controlled by that designated person as determined under the criteria set out in the Russia Regulations or the Belarus Regulations (in particular regulation 7 of and Schedule 1 to each of those Regulations).
“Economic Resources”	means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services.
“Funds”	means financial assets and benefits of every kind, including (but not limited to)— (a) cash, cheques, claims on money, drafts, money orders and other payment instruments; (b) deposits, balances on accounts, debts and debt obligations; (c) publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivative products; (d) interest, dividends and other income on or value accruing from or generated by assets; (e) credit, rights of set-off, guarantees, performance bonds and other financial commitments; (f) letters of credit, bills of lading and bills of sale; (g) documents providing evidence of an interest in funds or financial resources; (h) any other instrument of export financing.
“Person”	includes a body of persons corporate or unincorporate, but does not include a DP.
“Relevant Institution”	means a Person domiciled in the territory (of Bermuda) who would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000(4) if it had its registered office (or if it does not have one, its head office) in the United Kingdom.
“the Belarus Regulations”	means the Republic of Belarus (Sanctions) (EU Exit) Regulations 2019 (2019/600) with the modifications in Schedule 2 to the Republic of Belarus (Sanctions) (Overseas Territories) Order 2020.
“the Russia Regulations”	means the Russia (Sanctions) (EU Exit) Regulations 2019 (2019/855) with the modifications in Schedule 2 to the Russia (Sanctions) (Overseas Territories) Order 2020.

5. Provided that one of the sets of conditions in either Part A or Part B of this licence are complied with in full any Person or Relevant Institution may:

- i. Receive payments from a DP;
- ii. Make payments (directly or indirectly) for or on behalf of a DP;
- iii. Make payments for the benefit of a DP;
- iv. Process payments which relate to a DP; and
- v. Carry out any other act which is reasonably necessary to give effect to 5(i) – 5(iv) above.



6. The permissions in this licence do not authorise any act which results in Funds or Economic Resources being made available (directly or indirectly) to any DP.
7. The permissions in this licence do not authorise any act which results in a breach of the Russia Regulations, the Belarus Regulations or any other regulations made under the Sanctions and Anti-Money Laundering Act 2018 and brought into force in Bermuda by the International Sanctions Regulations 2013, save as specifically permitted under this licence.
8. Any Person, Relevant Institution or DP acting under the authority of, or otherwise using this licence should note that the conditions set out in Parts A and B of this licence are not capable of being interchanged: the conditions in one Part must be complied with in full for the activities to fall within the terms of this licence.
9. Information provided to the Minister in connection with this licence shall be disclosed to third parties only in compliance with the Public Access to Information Act 2010.
10. This licence takes effect from 20 December 2022 and expires on 20 June 2023.
11. The Minister may vary, revoke or suspend this licence at any time.
12. The Minister will publicise any variations, suspensions or revocations of this licence online at <https://www.gov.bm/bermuda-general-licences>.

SIGNED

The Hon. Kathy Lynn Simmons, JP, MP
Minister of Legal Affairs and Constitutional Reform

DATE

20th December, 2022



PART A- LEGAL SERVICES BASED ON A PRIOR OBLIGATION

1. In Part A of this licence:

“Counsel”	means a Barrister & Attorney who is regulated by the Bermuda Bar Association pursuant to section 10(5) of the Bermuda Bar Act 1974 and who is providing advice in relation to the Legal Services.
“Expenses”	means any fees or expenses associated with the provision of the Legal Services including (but not limited to): <ul style="list-style-type: none">• fees for expert witnesses;• translation fees;• printing;• travel expenses;• subsistence expenses;• courier expenses;• legal searches;• court transcripts;• administrative fees necessary to provide legal services (i.e. Home Office fees); and• bank transaction fees, but excluding Counsel’s fees.
“Law Firm”	means a person providing legal advice in relation to the Legal Services to a DP.
“Legal Adviser”	means a person who is professionally qualified or is undertaking a professional legal qualification and is providing legal advice in relation to the Legal Services to a DP including (but not limited to): <ul style="list-style-type: none">• CILEX practitioners or chartered legal executives;• pupils;• paralegals; and• legal executives.
“Legal Services”	means legal services provided to a DP, including legal advice and/or representation in court, whether provided within the Bermuda or another jurisdiction, in relation to any matter.
“professional legal fees”	means fees charged by a Legal Adviser or a Law Firm for the provision of the Legal Services.

CONDITIONS FOR USE OF THIS LICENCE- NOTE THAT ALL OF THE BELOW CONDITIONS MUST BE SATISFIED/ COMPLIED WITH

2. A payment of:

- i. professional legal fees; and/ or
- ii. Counsel’s fees; and/ or
- iii. Expenses

must be owed by a DP to a Law Firm, a Legal Adviser, Counsel or a provider of Expenses.



3. The payment must be in relation to Legal Services which have been provided, or which are being provided to a DP by a Law Firm, Legal Adviser or Counsel, or to Expenses.
4. The payment must be owed in accordance with an obligation which was entered into by the DP prior to the date of that DP's designation, or in the case of DPs which are owned and controlled, the owner/ controller of that DP's designation, either under the Russia Regulations, the Belarus Regulations or Council Regulation (EU) No 269/2014 (whichever was earlier).
5. The professional legal fees, together with any Counsel's fees must not exceed £500,000 (or the Bermuda equivalent) in total for the duration of this licence.
6. The Expenses must not exceed (in total) either:
 - i. 5% of the amount payable for the professional legal fees and Counsel's fees; or
 - ii. £25,000.00 (or the Bermuda equivalent);
whichever is lower, for all of the Expenses for the duration of this licence.
7. If at any point either:
 - i. It is estimated that in any individual case the limits for the professional legal fees, Counsel's fees or Expenses set out above will be exceeded; or
 - ii. In any individual case, the limits for the professional legal fees, Counsel's fees or Expenses set out above are in fact exceeded,
this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.
8. All payments made under this Part must:
 - i. be paid directly to an account held in Bermuda with a Relevant Institution by a Law Firm, Legal Adviser, Counsel or a provider of Expenses; or
 - ii. be paid on behalf of a DP to a provider of Expenses by a Law Firm, Legal Adviser or Counsel, to an account held in Bermuda with a Relevant Institution by a provider of Expenses, either before or after payment from the DP is received.

Reporting

9. Within 7 days of either (a) the Legal Services being completed, or (b) this licence coming to an end (either on its expiry date or before then as publicised by the FSU in accordance with this licence), any DP or Person who has used the licence must send to the Minister, by email to fsiu@gov.bm :
 - i. The relevant letter of engagement between the DP and the Legal Adviser, Law Firm or Counsel;
 - ii. Any other document, communication or other record which sets out the obligation pursuant to which payment is made;



- iii. The relevant invoice(s) which are being paid; and
- iv. A completed "FSIU Prior-Obligation Legal Fees GL form".

Record-keeping Requirements

10. A DP or Person must keep accurate, complete and readable records, on paper or electronically, of any activity purporting to have been permitted under this licence for a minimum of 6 years.



PART B- LEGAL SERVICES NOT BASED ON A PRIOR OBLIGATION

1. In Part B of this licence:

“Counsel”	means a Barrister & Attorney who is regulated by the Bermuda Bar Association pursuant to section 10(5) of the Bermuda Bar Act 1974 and who is providing advice in relation to the Legal Services.
“Expenses”	means any fees or expenses associated with the provision of the Legal Services including (but not limited to): <ul style="list-style-type: none">• fees for expert witnesses;• translation fees;• printing;• travel expenses;• subsistence expenses;• courier expenses;• legal searches;• court transcripts;• administrative fees necessary to provide legal services (i.e. Home Office fees); and• bank transaction fees, but excluding Counsel’s fees.
“Law Firm”	means a person providing legal advice in relation to the Legal Services to a DP.
“Legal Adviser”	means a person who is professionally qualified or is undertaking a professional legal qualification and is providing legal advice in relation to the Legal Services to a DP, including (but not limited to): <ul style="list-style-type: none">• CILEX practitioners or chartered legal executives;• pupils;• paralegals; and• legal executives.
“Legal Services”	means legal services provided to a DP, including legal advice and/or representation in court, whether provided within the Bermuda or another jurisdiction, in relation to any matter.
“professional legal fees”	means fees charged by a Legal Adviser or a Law Firm for the provision of the Legal Services.

CONDITIONS FOR USE OF THIS LICENCE- NOTE THAT ALL OF THE BELOW CONDITIONS MUST BE SATISFIED/ COMPLIED WITH

2. A payment of:

- i. professional legal fees; and/ or
- ii. Counsel’s fees; and/ or
- iii. Expenses,

must be owed by a DP to a Law Firm, a Legal Adviser, Counsel or a provider of Expenses.



3. The payment must be in relation to Legal Services which have been provided, or are being provided by the Law Firm, Legal Adviser or Counsel to a DP, or to Expenses.
4. The professional legal fees together with any Counsel's fees must not exceed £500,000.00 (or the Bermuda equivalent) in total for the duration of this licence.
5. The Expenses must not exceed (in total) either:
 - i. 5% of the amount payable for the professional legal fees and Counsel's fees; or
 - ii. £25,000.00 (or the Bermuda equivalent),whichever is lower, for all of the Expenses for the duration of this licence.
6. If at any point either:
 - i. It is estimated that in any individual case the limits for the professional legal fees, Counsel's fees or Expenses set out above will be exceeded; or
 - ii. In any individual case, the limits for professional legal fees, Counsel's fees or Expenses set out above are in fact exceeded,this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.
7. The hourly rates for provision of the professional legal fees by a Legal Adviser must not exceed the Bermuda equivalent of those rates listed in paragraph 13 of this part of the licence in any individual case.
8. The hourly rates to be charged by Counsel must not exceed the rate of £1,500 per hour (or the Bermuda equivalent).
9. If at any point any one hourly rate, for either a Legal Adviser or Counsel exceeds the hourly rates set out in this licence, this licence will not apply to any further payment of any nature in relation to the entirety of the Legal Services nor to any other act in relation to the provision of the Legal Services.
10. All payments made under this Part must either:
 - i. be paid directly to an account held in Bermuda with a Relevant Institution by a Law Firm, Legal Adviser, Counsel or a provider of Expenses; or
 - ii. be paid on behalf of a DP to a provider of Expenses, by a Law Firm, Legal Adviser or Counsel to an account held in Bermuda with a Relevant Institution by a provider of Expenses, either before or after payment from the DP is received.



Reporting

11. Within 7 days of either (a) the Legal Services being completed, or (b) this licence coming to an end (either on its expiry date or before then as publicised by the FSU in accordance with this licence), any DP or Person who has used this licence must send to the Minister, by email to fsu@gov.bm:
- i. The relevant letter of engagement between the DP and the Legal Adviser, Law Firm or Counsel;
 - ii. Details of the name, employment, experience and the years of post-qualification experience of any Legal Adviser;
 - iii. Details of the name, employment, experience and the years of call of any Counsel;
 - iv. The relevant invoice(s) which are being paid; and
 - v. A completed "FSU Post-Designation Legal Fees GL form".

Record-keeping Requirements

12. A DP or Person must keep accurate, complete and readable records, on paper or electronically, of any activity purporting to have been permitted under this licence for a minimum of 6 years.

Hourly rates

13. LEGAL ADVISERS

Grade	Fee earner	Rate
A	Legal executives with over 8 years' experience	£896
B	Legal executives with over 4 years' experience	£609
C	Legal executives and fee earners with less than 4 years' experience	£473
D	Pupils, paralegals and other fee earners	£326