



### The Landsbanki Freezing Order 2008

#### General Licence (L5)

HM Treasury has been asked by a number of financial institutions to grant a licence relating to clearance and settlement of trades through exchanges where there is no central counterparty and where the buyers with sellers are matched under the rules of the exchange or related clearing house.

The Treasury notes that the definition of “funds” includes securities, but Article 4(1) of the Order provides a more restrictive definition of “frozen funds”, as funds owned, held or controlled by Landsbanki or relating to Landsbanki and owned, held or controlled by the Government of Iceland or a specified Icelandic Authority.

In any event, the Treasury has granted the attached Licence L5 for the avoidance of doubt.

This includes a condition that the settlement of a trade effected by the London Branch is effected by delivery of equity securities to the London Branch or, as the case may be, payment to the Bank into accounts at the London Branch or accounts in the name of the Bank held in the UK.

A copy of previous Notices and Licences related to the Landsbanki Freezing Order 2008 are available from the Financial Sanctions pages of the Treasury website:

[http://www.hm-treasury.gov.uk/financial\\_sanctions.htm](http://www.hm-treasury.gov.uk/financial_sanctions.htm)

Non-media enquiries should be addressed to the Treasury Asset Freezing Unit on 020 7270 5454/5664, or by fax 020 7451 7677 or by e-mail to [assetfreezingunit@hm-treasury.gov.uk](mailto:assetfreezingunit@hm-treasury.gov.uk).

Media enquiries should be addressed to the Treasury Press Office on 020 7270 5238.

ENDS



# HM TREASURY

## LANDSBANKI ISLANDS HF SECURITIES SETTLEMENT LICENCE [L5]

1. This licence is granted under Article 6 of The Landsbanki Freezing Order 2008 (“the Order”).
2. The prohibitions in Article 4 of the Order are disapplied to the extent required to allow the permitted activity.
3. This licence does not operate to exclude or override the provisions of insolvency law or other regulatory requirements.

### Definitions

4. In this licence
  - “relevant exchange” means any securities exchange, including exchanges outside the United Kingdom, in relation to which clearance and settlement of trades occurs without a central counterparty but by matching buyers and sellers under the rules of the exchange and/or related clearing house;
  - “the Bank” means Landsbanki Islands hf, a public limited company incorporated under the law of Iceland;
  - “the London Branch” means the London branch of the Bank situated at Beaufort House, 15 St Botolph Street, London, EC3A 7QR;
  - “financial institution” includes (and is not limited to) banks, investment firms, operators of payment and settlement systems, clearing houses, investment exchanges, market makers and custodians of settlements;
  - “permitted activity” means the activity permitted under paragraph 6 of this licence.
5. The definitions in Article 2 of the Order apply for the purposes of this licence.

### Permitted activities

6. A financial institution is permitted to complete settlement of any equity securities trade effected before, on or after the date of this licence under which the financial institution has been matched with the Bank for the purposes of the settlement of the trade under the rules of a relevant exchange, including the making of any payment to the Bank or the delivery of any equity securities to the Bank, provided that the making of such payment or the delivery of such equity securities are required under the rules of relevant exchange in order to complete the settlement of the trade.
7. It is a condition of this licence that the settlement of a trade effected by the London Branch is effected by delivery of equity securities to the London Branch or, as the case may be, payment to the Bank into accounts at the London Branch or accounts in the name of the Bank held in the UK.
8. This licence may be varied or revoked at any time.