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STATUTORY INSTRUMENTS

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**2005 No. 3382**

**The Proceeds of Crime Act 2002 (Legal Expenses  
in Civil Recovery Proceedings) Regulations 2005**

**PART 3**

**Required conditions: release of interim payments**

**Effect of this Part**

7. This Part applies where, during a period when a property freezing order or interim receiving order has effect, a person to whose property the order applies seeks the release of a sum in respect of his legal expenses pursuant to an exclusion from the order.

**Request for Director's agreement to release of interim payment**

8.—(1) A request for the Director's agreement to the release of a sum in respect of legal expenses pursuant to an exclusion must be made in writing to the Director by the person to whose expenses the exclusion relates.

(2) The request must—

- (a) describe the stage or stages in the civil recovery proceedings in relation to which the legal expenses were incurred;
- (b) summarise the work done in connection with each stage;
- (c) be accompanied by any invoices, receipts or other documents which are necessary to show that the expenses have been incurred; and
- (d) identify any item or description of property from which the person making the request wishes the sum to be released.

(3) A person may not make a request under this regulation—

- (a) in respect of legal expenses which he has not yet incurred; or
- (b) more than once in any 2 month period.

**Director's response to request**

9.—(1) Not later than 21 days after he receives the request, the Director must give notice to the person who made the request stating—

- (a) whether he agrees to the release of the requested sum; and
- (b) if he does not agree to the release of the requested sum—
  - (i) the amount (if any) which he agrees may be released; and
  - (ii) the reasons for his decision.

(2) Where an interim receiving order applies to the property from which it is proposed that the requested sum should be released, the Director must at the same time send copies of the request and the notice referred to in paragraph (1) to the interim receiver.

(3) In determining the amount which may be released in respect of legal expenses with his agreement, the Director must have regard to the provisions of Part 5 which would apply on the assessment of those expenses by the court.

**Release of interim payment**

- 10.**—(1) The sum which may be released pursuant to the exclusion is the greater of—
- (a) the amount which the Director agrees may be released; and
  - (b) 65% of the requested sum.
- (2) The sum may only be released to—
- (a) the solicitor who is instructed to act in the civil recovery proceedings for the person to whose legal expenses the exclusion relates; or
  - (b) where appropriate, to the solicitor who was so instructed when the legal expenses to which the sum relates were incurred.