

Memorandum

To:

From:

Object : Legal Analysis on the application of Article 2 of Regulation (EU) No 269/2014 to Vélfag ehf., an Icelandic non-listed entity

Date: 16 October 2025

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I. EXECUTIVE SUMMARY

1. This memorandum assesses the legality of the freezing of Vélfag ehf.'s ("**Vélfag**") bank accounts by Arion Bank on 8 July 2025 and the subsequent decisions of the Icelandic Ministry of Foreign Affairs ("**MOFA**") under Act No. 68/2023, in light of the EU restrictive-measures legal framework, most notably Council Regulation (EU) 2024/2642 of 8 October 2024 concerning restrictive measures in view of Russia's destabilizing activities ("**Regulation (EU) No 269/2014**"), and the EU principles governing ownership, control, "*making available*," anti-circumvention, and non-retroactivity.
2. The memorandum (i) sets out the factual background regarding Vélfag's ownership chain (ii)

identifies the applicable legal framework under EU law (and Icelandic Act No. 68/2023), and (iii) evaluates the requirements defined under Article 2 of Regulation (EU) No 269/2014 were satisfied on the date of the Icelandic sanction decision.

3. The outcome of our assessment is that an EU restrictive measure may not apply to Vélfag for at least two reasons:
 - At the time of the acquisition of Vélfag, the later was not owned or controlled by a sanctioned entity. The fact that Norebo JSC was sanctioned is irrelevant as this company had no corporate or other economic relationship with Vélfag when Mr. Kaufmann acquired Vélfag; and
 - The EU restrictive measures do not apply retroactively. Therefore, the sanction of Norebo JSC four days after the acquisition of Vélfag by Mr. Kaufman may not cause Vélfag's assets to be impacted directly or indirectly by the EU restrictive measures.

II. FACTUAL BACKGROUND

4. Vélfag is an Icelandic company specializing in fish-processing machinery.
5. In late 2021 and early 2022, control of Vélfag was acquired by the Norebo group.
6. Norebo Group ("**Norebo**") is one of Russia's largest vertically integrated fishing holdings, headquartered in Murmansk and founded in the mid-1990s by Vitaly Orlov and Swedish entrepreneur Magnus Roth. The company operates multiple fishing enterprises in Russia's North-West and Far East, as well as trading arms, fish processing factories, cold storage facilities, and shipping assets. Today, Norebo is a major harvester and exporter of wild seafood, supplying products such as cod, haddock, halibut, pollock, and shrimp to markets worldwide, including Europe and Asia.¹
7. A 54.5% interest in Vélfag was acquired between December 2021 and January 2022, by Norebo Overseas Holding Ltd (Hong Kong), while the remaining shares were held by Vélfag's founders Bjarni A. Sigurgarðarsson and Ólöf Ýr Lárusdóttir ("**Founders**").
8. In July 2023, Norebo Overseas Holding Ltd. transferred its Vélfag-shares to Titania Trading Limited which was then ultimately owned by Mr. Nikita Orlov, a Norwegian citizen and the son of Norebo's founder Mr. Vitaly Orlov. At this point Titania Trading Limited became the owner of 54.5% shares of Vélfag, whilst Norebo Holding JSC ceased all of its indirect ownership in Vélfag. For avoidance of doubt, Mr. Nikita Orlov has never owned Norebo Overseas Holding Ltd, nor Norebo Holding JSC.
9. In August 2023, Titania Trading Limited made a further purchase of shares from Vélfag's founders Bjarni A. Sigurgarðarsson and Ólöf Ýr Lárusdóttir. Upon this transaction, the total shareholding in Vélfag by Titania Trading Limited was 81.8%. Meanwhile, the remaining 18.2% remained owned by Bjarni A. Sigurgarðarsson and Ólöf Ýr Lárusdóttir (and said Founders have continued to hold 18.2% shares in Vélfag till this day).

¹ <https://norebo.ru/>

10. By end of 2023, Mr. Nikita Orlov acquired Titania Trading Limited directly (as a direct owner). Thus, by early 2025, Titania Trading Limited was owned directly by the sole owner Mr. Nikita Orlov, with no other significant creditors. Mr. Nikita Orlov has also confirmed he did not have any debts or liabilities connected to his ownership of Titania Trading Limited; this was a standalone investment.
11. On 16 May 2025, Mr. Ivan Nicolai Kaufmann, a citizen of Liechtenstein and Switzerland, acquired all the shares in Titania Trading Limited, and became the indirect owner of Vélfag's 81.8% stake.
12. Since then, the shareholding structure of Vélfag is as follows:
 - a. Titania Trading Limited holds 81.8% of the shares. The ultimate beneficial owner of 100% of these shares is Mr. Kaufmann;
 - b. The remaining 18.2% are owned by Bjarmi A. Sigurgarðarsson and Ólöf Ýr Lárusdóttir.
13. On 20 May 2025 (four days later), the EU Council adopted the Council Implementing Regulation (EU) 2025/965 of 20 May 2025 implementing Regulation (EU) 2024/2642 concerning restrictive measures in view of Russia's destabilising activities ("**Implementing Regulation (EU) 2025/965**"), which added Norebo JSC to Annex I of Regulation (EU) No 269/2014 under entry 6 of Section B ("Legal persons, entities and bodies") on the grounds that it supports and implements Russian state actions that threaten EU and global security by using its fishing vessels for espionage and interference with critical infrastructure, including submarine networks:

"Norebo JSC is a Russian fishing company. Vessels owned and operated by Norebo JSC show particular movement patterns that are inconsistent with regular economic practices and fishing activities. The movement patterns align with malign objectives, such as repeatedly being in the vicinity of or loitering near critical infrastructure and military sites. The movement patterns have been linked, including by Member States and the authorities of third states, to the Russian state-sponsored surveillance campaign that employs inter alia, civilian fishing trawlers, to conduct espionage missions directed against civilian and military infrastructure in the North and Baltic Sea. Those activities can facilitate future sabotage operations. Shipping vessels owned and operated by Norebo JSC have also been equipped with technology that may be used for espionage. A Norebo JSC vessel has been banned from entering Dutch port facilities due to espionage.

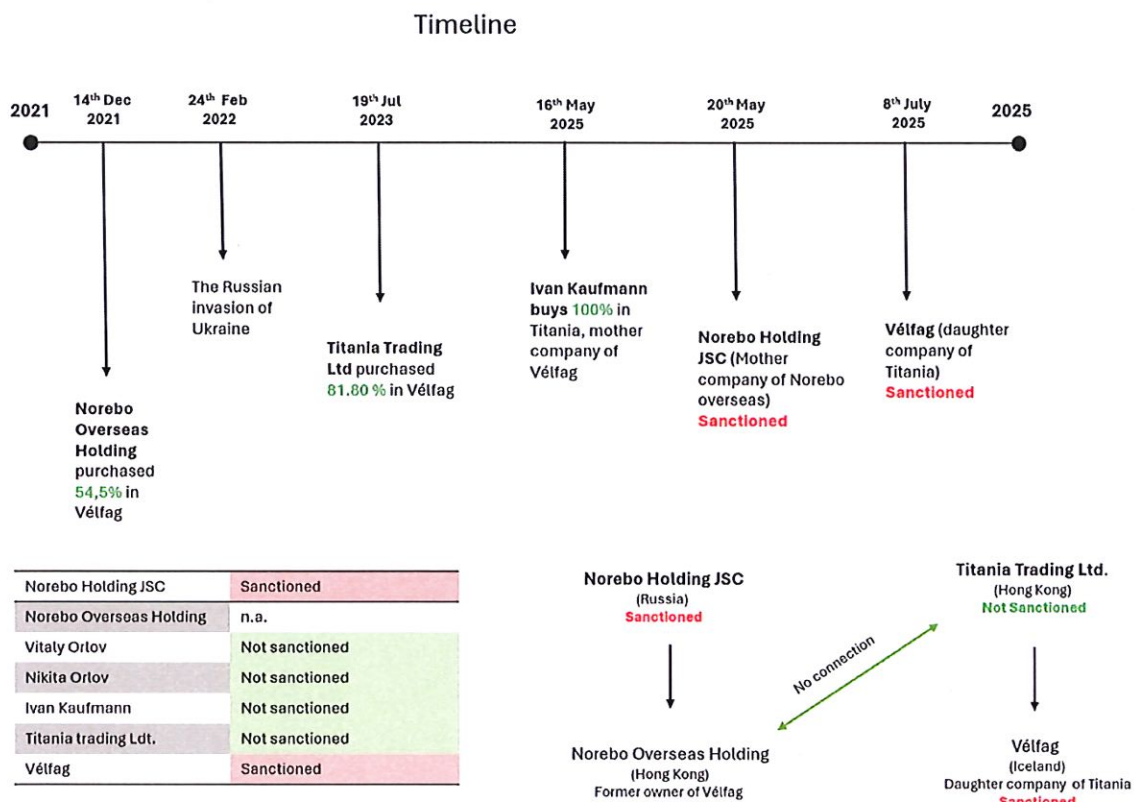
Norebo JSC has also received several loans from Sberbank, a Russian state-owned bank.

Moreover, in July 2022, Russia released its new "maritime doctrine", which emphasises the strategic importance of civilian ships and their crews for maritime readiness, including by preparing them for wartime, and allowing them to be used by the armed forces in peace time.

Norebo JSC thus implements and supports actions by the Government of the Russian Federation, which undermine or threaten the security in the Union, several of its Member States and third countries by engaging in and supporting actions aimed at interfering with critical infrastructure, including submarine infrastructure."
14. Article 2 of the Implementing Regulation (EU) No 2025/965 stated that the sanction entered

into force “on the date of its publication in the Official Journal of the European Union”, i.e., 20 May 2025.

15. Norebo JSC’s listing post-dated Mr. Kaufmann’s acquisition of Titania Trading Limited by several days and occurred nearly two years after Norebo JSC had divested its Vélfgag holding to Titania Trading Limited.
16. The timeline of the present situation is as follows:



17. Nevertheless, on 8 July 2025, Arion Bank in Iceland —Vélfgag’s commercial bank—froze the company’s accounts pursuant to Icelandic Act No. 68/2023 on the implementation of international sanctions and the freezing of funds, citing alleged links between Vélfgag (and indirectly Mr. Kaufmann) and Norebo JSC.
18. On 19 September 2025, Vélfgag applied for the unfreezing of its accounts under Article 12(2) of the Act. On 3 October 2025, the Ministry of Foreign Affairs of Iceland (“MOFA”) rejected the request, stating that “no information has been received by the Ministry which indicates that any changes have taken place in the ownership structure between Norebo JSC and Norebo Overseas Holding Ltd.”

In parallel with that decision, MOFA confirmed Arion Bank’s freeze and issued interim decisions partially lifting the freeze solely for specified transactions.

19. The MOFA further rejected Mr. Kaufmann’s position that he entertains no business or advisory relationship with Norebo JSC or any related persons; MOFA refused Mr. Kaufmann’s board

seat at Vélfag; it refused Titania Trading Limited to provide financing to Vélfag to avert insolvency; and it required that an encumbrance be placed over Titania Trading Limited's Vélfag shares, prohibiting any sale without MOFA's prior approval.

20. Meanwhile, Mr. Kaufmann himself was subjected to the Icelandic restrictive measures under Act No. 68/2023, further entrenching the constraints on Vélfag's operations.

III. LEGAL ANALYSIS

a. THE APPLICATION OF EU SANCTIONS

i. GENERAL OVERVIEW

21. Regulation (EU) No 269/2014 establishes an asset-freeze regime in response to the armed conflict in Ukraine, targeting persons and entities listed in Annex I and any funds or economic resources they own or control, and prohibiting EU operators from making such resources available to them.

22. Article 2 of Regulation (EU) No 269/2014:

- i. Imposes an asset freeze on all funds and economic resources belonging to, owned, held by, or controlled by persons and entities designated in Annex I (Article 2(1)); and
- ii. Prohibits EU operators from making funds or economic resources available, directly or indirectly, to or for the benefit of such designated persons. (Article 2(2)).

23. This means that, under the EU restrictive measures, any funds or assets belonging to, held by, or controlled by listed persons are frozen, and EU persons must ensure that no funds or economic resources are made available to them.

24. The asset freeze applies to:

- i. All natural or legal persons, entities or bodies expressly listed in Annex I of the Regulation. This includes also the legal persons controlled by, or under the influence of a listed person or entity; and
- ii. Any person or entity acting on behalf of or at the direction of a listed person or entity.²

25. Thus, for a person or entity to be subject to the asset freezing measures under Article 2 of Regulation (EU) No 269/2014,

26. *Firstly*, the notion of "ownership" is defined as follows:

"The criterion to be taken into account when assessing whether a legal person or entity is owned by another person or entity is the possession of 50% or more of the proprietary rights of an entity or having majority interest in it. If this criterion is satisfied, it is considered that the legal person or entity is owned by another person or entity.

² Article 2 of Regulation (EU) No 269/2014.

When assessing ownership, the aggregated ownership of the entity should, also be taken into account. For example, if one designated person owns 30% of the entity and another designated persons owns 25% of the entity, the entity should, in principle, be considered as owned by designated persons.”³

This means that although a listed entity may not own more than 50% of another entity, it may still be able to control it.

27. *Secondly, the notion of control has been firstly defined in the Council Regulation (EC) No 2580/2001 of 27 December 2001 on specific restrictive measures directed against certain persons and entities with a view to combating terrorism (“Regulation (EC) No 2580/2001”):*

“Controlling a legal person, group or entity’ means any of the following:

- (a) having the right to appoint or remove a majority of the members of the administrative, management or supervisory body of such legal person, group or entity;*
- (b) having appointed solely as a result of the exercise of one's voting rights a majority of the members of the administrative, management or supervisory bodies of a legal person, group or entity who have held office during the present and previous financial year;*
- (c) controlling alone, pursuant to an agreement with other shareholders in or members of a legal person, group or entity, a majority of shareholders' or members' voting rights in that legal person, group or entity;*
- (d) having the right to exercise a dominant influence over a legal person, group or entity, pursuant to an agreement entered into with that legal person, group or entity, or to a provision in its Memorandum or Articles of Association, where the law governing that legal person, group or entity permits its being subject to such agreement or provision;*
- (e) having the power to exercise the right to exercise a dominant influence referred to in point (d), without being the holder of that right;*
- (f) having the right to use all or part of the assets of a legal person, group or entity;*
- (g) managing the business of a legal person, group or entity on a unified basis, while publishing consolidated accounts;*
- (h) sharing jointly and severally the financial liabilities of a legal person, group or entity, or guaranteeing them.” (See Article 1(6) of Regulation (EC) No 2580/2001)*

In other words, to determine whether an entity is controlled by another entity and/or person, it is necessary to assess whether the latter *“is able to and effectively asserts a decisive influence over the conduct of the other entity in question”*.⁴

³ EU Best practices, paragraph 63.

⁴ Commission opinion of 19 June 2020 on Article 2 of Council Regulation (EU) No 269/2014.

These criteria has been reiterated by (i) the "Guidelines on the implementation and evaluation of restrictive measures (sanctions)"⁵ of 4 May 2018 and (ii) the "Best practices for the effective implementation of restrictive measures"⁶ of 27 June 2022.

The European Commission ("Commission") underlines that :

*"...if the listed person is deemed to own or control a non-listed entity, it can be presumed that the control also extends to the assets of that entity, and that any funds or economic resources made available to that entity would reach or benefit the listed person. This presumption can be rebutted on a case-by-case basis by the entity concerned, if it can be demonstrated that some or all of its assets are outside the control of the listed person, and/or that funds or economic resources made available to it would in fact not reach or benefit the listed person."*⁷

The "Best practices for the effective implementation of restrictive measures" also emphasizes that :

*"If the ownership or control is established in accordance with the above criteria, the making available of funds or economic resources to non-listed legal persons or entities which are owned or controlled by a listed person or entity will in principle be considered as making them indirectly available to the latter, unless it can be reasonably determined, on a case-by-case basis using a risk-based approach, taking into account all of the relevant circumstances, including the criteria below, that the funds or economic resources concerned will not be used by or be for the benefit of that listed person or entity."*⁸ [Emphasis added]

The presumption of "control" of a non-listed entity by a listed entity can be rebutted on a case-by-case basis.

28. The Icelandic context does not alter this analysis. Iceland is not an EU Member State but belongs to the European Free Trade Association ("EFTA") that has endorsed the EU restrictive measures. That is why the measures are taken under Act No. 68/2023 which aligns with EU law.

ii. APPLICATION TO THE PRESENT CASE

29. On that basis, the asset-freezing measure applied to Vélfag by Arion Bank on 8 July 2025 and maintained by the MOFA cannot be justified under Regulation (EU) No 269/2014 for reasons of ownership or control. Regulation (EU) No 269/2014 targets only listed persons and the funds or economic resources that, at the time of assessment, belong to, are owned or held by, or are controlled by them.
30. *Firstly*, the regulation applies to persons and entities expressly designated in Annex I and to

⁵ <https://data.consilium.europa.eu/doc/document/ST-5664-2018-INIT/en/pdf>

⁶ <https://data.consilium.europa.eu/doc/document/ST-10572-2022-INIT/en/pdf>

⁷ Commission Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014. See also Commission opinion of 19 June 2020 on Article 2 of Council Regulation (EU) No 269/2014

⁸ <https://data.consilium.europa.eu/doc/document/ST-10572-2022-INIT/en/pdf>, paragraph 66.

any legal person, any funds or economic resources that they own or control, and it prohibits EU operators from making such resources available to them. At the relevant assessment date, neither Vélfag, nor Titania Trading Limited, nor Mr. Kaufmann was listed, and there is no evidence that Vélfag or Titania was acting on behalf of, or at the direction of, a listed person.

31. *Secondly*, the notion of “ownership” under EU restrictive measures requires holding 50% or more of the proprietary rights—or otherwise a majority interest—including any aggregated holdings by designated persons.

That threshold is not met in the present case: Norebo JSC divested its stake in Vélfag in 2023, and Mr. Kaufmann, a non-listed person, acquired Titania Trading Limited on 16 May 2025 i.e., four days before Norebo JSC’s EU listing on 20 May 2025. Up to 8 July 2025, no listed person owned Vélfag or Titania Trading Limited, whether individually or in aggregate.

32. *Thirdly*, the analysis under the “control” test likewise fails on the facts. Under the EU restrictive measures, the notion of “control” concerns the ability to exercise decisive influence over an entity’s conduct. Classic evidence includes rights to appoint or remove a board majority, majority voting power (alone or by agreement), contractual or constitutional rights of dominant influence and the power to exercise them, rights to use the entity’s assets, unified management or consolidated accounts, and joint or guaranteed liabilities (see above).

None of this exists in the specific situation of Vélfag. Factually, there is no appointment or removal rights retained by any listed person, no shareholder pacts conferring negative or veto control to a listed person, no treasury or cash-management control, no unified management or consolidation, no guarantees or joint liabilities, and no side arrangements conferring instruction rights. The documented changes of control in 2023 and 2025 confirm these assumptions.

33. *Finally*, the prohibition on “making available” in Article 2(2) of Regulation (EU) No 269/2014 is not violated. That prohibition relates to funds or economic resources made available to a non-listed entity owned or controlled by a listed person. There is no basis to conclude that payments to Vélfag would accrue to the benefit of a listed person given the absence of ownership or control and the lack of any mechanism whereby a listed person could access or conduct Vélfag’s assets.

Consequently, Article 9 of Regulation (EU) No 269/2014 (anti-circumvention clause) is not violated: there is no knowing and intentional participation in any arrangement to evade the measures; Mr. Kaufmann’s acquisition pre-dated Norebo JSC’s listing, and there is no benefit flow by which a listed person could access or direct Vélfag’s assets.

34. Thus, at the time of the freeze, the Article 2(1) and 2(2) requirements were not satisfied: no listed ownership, no listed control, no acting on behalf of a listed person, and no realistic pathway by which funds would reach or benefit such a person. The assets freezing measure, therefore, misapplies Regulation (EU) No 269/2014 and should be lifted, or, at the very least, narrowed to permit ordinary operations demonstrably insulated from any listed person’s benefit.

b. THE RETROACTIVITY OF EU SANCTIONS

35. As EU restrictive measures under Regulation (EU) No 269/2014 do not currently apply to Vélfag, their application by the Icelandic authorities amounts to a retroactive extension of those measures. In effect, Vélfag is being treated as subject to sanctions on the basis of a past ownership structure that no longer existed at the time of the adoption of Implementing Regulation (EU) 2025/965.
36. Such retroactive application is contrary to EU law and to fundamental principles of legal certainty and legitimate expectations.

i. GENERAL OVERVIEW

37. Under Regulation (EU) No 269/2014, EU restrictive measures may not apply retroactively.
38. The Commission's FAQ expressly confirms this principle:

"5. If, before the listing took effect, the assets of a listed person were transferred to a non-listed third person (e.g. a family member), do the assets still need to be frozen?"

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Article 2(1) of Council Regulation (EU) No 269/2014 does not apply retroactively. However, it does require the freezing of all assets currently belonging to, or held, owned or controlled by listed persons. If, at the time of the assessment, there are reasonable grounds to believe that certain assets "belong to" or are "controlled by" the listed person, even if they are nominally owned by someone else, then these assets must be frozen under Article 2(1). It does not matter when the assets were transferred.

In what regards the assessment, the criteria exemplified in the past by the Commission in the context of 'control' were non-exhaustive. In situations involving third persons (and possible family ties), other elements could also be taken into account, such as:

- the closeness of business and family ties between the listed person and the third person;*
- the professional independence of the third person now owning the assets;*
- previous gifts given to the third person and how they compare to the transaction in question;*
- the frequency/regularity of previous gifts to the third person;*
- the content of formal agreements between the listed person and the third person;*
- the nature of the assets (e.g. whether these are shares in a company owned or controlled by the listed person)." [Emphasis added]*

39. Accordingly, what matters is the situation at the time of assessment: assets may be frozen only if, at that moment, they belong to or are owned, held or controlled by a listed person — even if legal title lies elsewhere.
40. The Commission has described non-exhaustive "control" indicators (e.g., closeness of business/family ties, professional independence of the current owner, prior gifting patterns,

formal agreements, and the nature of the assets). Where these indicators are not present, Article 2(1) cannot be used to reach pre-listing transfers.

41. The Court of Justice of the European Union has confirmed the principle of non-retroactivity and legal certainty.
42. In *Assaad v. Council*⁹, the applicant challenged restrictive measures adopted in 2021 and 2022 that purported to establish that he had been listed since 2011, despite the Council maintaining the opposite position for ten years. The Court held that:

*“186 According to the case-law, the principle of legal certainty, of which the principle of legitimate expectations is a corollary, aims to ensure that situations and legal relationships governed by EU law remain foreseeable. To that end, it is essential that the EU institutions observe the principle that they may not alter measures which they have adopted and which affect the legal and factual situation of persons, so that they may amend such measures only in accordance with the rules on competence and procedure (judgment of 4 May 2016, *Andres and Others v ECB*, T-129/14 P, EU:T:2016:267, paragraph 35).[...]*

188 In order to determine whether the contested measures were adopted in breach of those two principles, it is therefore necessary to examine, first of all, the effects of those measures and then to ascertain whether, as the applicant claims and contrary to what the Council contends, they have retroactive effect by establishing that the applicant has, ultimately, been the person referred to in entry 36 of the lists at issue, since the adoption of the 2011 measures.

*189 It is accepted in the case-law that the retroactivity of an act may be expressly laid down in the measure itself, but may also result from its content (see, to that effect, judgment of 11 July 1991, *Crispoltoni*, C-368/89, EU:C:1991:307, paragraph 17).” [Emphasis added]*

43. In another case, *Manufacturing Support & Procurement Kala Naft Co. v. Council*¹⁰, concerning an Iranian company owned by the National Iranian Oil Company (NIOC), which was listed under EU restrictive measures adopted to prevent nuclear proliferation, the assets-freezing measure entered into force on the date of adoption (26 July 2010), but publication occurred on 27 July 2010.

The Court held that:

- i. A measure cannot take effect before its publication, save for exceptional reasons; and
 - ii. As no such justification existed, the relevant article was annulled for breach of the principle of legal certainty.
44. *In fine*, this principle has also been reiterated in Parliamentary Question E-002961/2022(ASW) and the answer given by High Representative/Vice-President Josep Borrell on behalf of the

⁹ CJUE, T-426/21, Judgement of 8 March 2023, *Assaad v. Council*.

¹⁰ CJUE, C-509/1, Judgement of 25 April 2012, *Manufacturing Support & Procurement Kala Naft Co. v. Council*, paras 64-66.

Commission. He confirmed that:

“EU restrictive measures (sanctions) are not retroactive. Therefore, the fact that a person may have transferred the ownership of an asset to a third person before being listed as subject to EU sanctions does not constitute in itself a violation of such measures.

However, if the person maintains control over the asset after the entry into force of the listing (in this case, 25 July 2014), then persons under EU jurisdiction are required to treat it as frozen. In parallel, it is prohibited to make any funds or economic resources available to a listed person.

In addition, EU sanctions Regulations contain an anti-circumvention clause which prohibits persons under EU jurisdiction from knowingly and intentionally participating in activities the object or effect of which is to circumvent the sanctions.

In the Commission’s view, if a certain scheme was created in order to assist a person to evade the effects of its possible future listing, then participation in that scheme after the listing is in force can amount to circumvention.”¹¹ [Emphasis added]

ii. APPLICATION TO THE PRESENT CASE

45. The retroactive application of EU restrictive measures in the present case is manifestly inconsistent with EU law and the principles outlined above.
46. At the time of the adoption of Implementing Regulation (EU) 2025/965 on 20 May 2025, Norebo JSC had not held any ownership interest in Vélfag for nearly two years. Norebo JSC’s 81% shareholding in Vélfag had been transferred in 2023 to Titania Trading Limited, then controlled by Mr. Nikita Orlov, a Norwegian citizen. On 16 May 2025, Titania Trading Limited was acquired in its entirety by Mr. Kaufmann, a dual citizen of Liechtenstein and Switzerland, who became the indirect owner of Vélfag.
47. Accordingly, at the time of Norebo JSC’s listing and the subsequent Icelandic measures, neither Norebo JSC nor any person connected to it owned, held, or controlled Vélfag within the meaning of Article 2(1) of Regulation (EU) No 269/2014.
48. The Commission’s FAQ, case law of the Court of Justice, and the position of the High Representative all confirm that restrictive measures cannot extend to assets that were lawfully transferred before a listing unless there is evidence of ongoing control or circumvention.

No such evidence exists in this case.

- a. *Firstly*, the transfer of Vélfag to Titania Trading Limited occurred almost two years before Norebo JSC’s designation and well before any restrictive measure was foreseeable;
- b. *Secondly*, Norebo JSC has not exercised any ownership, voting, or decision-making rights in Vélfag since 2023 (see above);
- c. *Thirdly*, Mr. Kaufmann has no business, advisory, or family connection with Norebo JSC or its principals; and

¹¹ https://www.europarl.europa.eu/doceo/document/E-9-2022-002961-ASW_EN.html.

- d. *Fourthly*, Mr. Kaufmann is not, neither directly or indirectly, targeted by EU restrictive measures.
49. The Icelandic authorities' decision to freeze Vélfag's accounts and to impose restrictions on Titania Trading limited and Mr. Kaufmann, therefore, rests on an outdated ownership structure and presumes retroactive control by a now-listed person, contrary to EU law.
50. By treating Vélfag as though it were still controlled by Norebo JSC, Iceland has effectively extended the scope of EU restrictive measures retroactively, in violation of:
- a. Article 2(1) of Regulation (EU) No 269/2014, which applies only to assets "*belonging to, owned, held or controlled*" at present by a listed person;
 - b. The principle of legal certainty and legitimate expectation; and
 - c. the Commission's express interpretation that pre-listing transfers do not fall within the scope of the asset freeze regime unless ongoing control can be demonstrated.
51. In conclusion, Vélfag's situation falls entirely outside the temporal and material scope of Regulation (EU) No 269/2014. The freezing of its accounts by Arion Bank and the confirmation of that freeze by the MOFA thus constitute an unlawful retroactive extension of EU restrictive measures and a misapplication of Iceland's implementing legislation under Act No. 68/2023.
