

*These notes refer to the Insolvency Act 2000 (c.39)
which received Royal Assent on 30 November 2000*

INSOLVENCY ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 5: Disqualification Orders

23. A person who is subject to a disqualification order made under the Company Directors Disqualification Act 1986 may not without the leave of the court:
- be a director of a company, or,
 - be a liquidator or administrator of a company, or
 - be a receiver or manager of a company's property, or
 - in any way, whether directly or indirectly, be concerned or take part in the promotion, formation or management of a company,
- for the period specified in the order. It is a criminal offence to contravene a disqualification order. Civil liabilities may also be incurred in respect of such contravention.
24. *Subsection (1)* amends Section 1 of the Company Directors Disqualification Act 1986 by providing that an individual who is the subject of a disqualification order cannot obtain the leave of the court to act as an insolvency practitioner. This is to make it consistent with Section 390(4)(b) of the Insolvency Act 1986, which provides for an absolute ban on an individual acting as an insolvency practitioner if he is subject to a disqualification order.
25. *Subsection (2)* further amends Section 1 of the Company Directors Disqualification Act 1986 and provides that any period of disqualification begins 21 days after the date on which the disqualification order is made unless the court orders otherwise.
26. *Subsection (3)* defines the term "receiver" for the purposes of the Company Directors Disqualification Act 1986.