



Insolvency Act 1986

1986 CHAPTER 45

PART XIII

INSOLVENCY PRACTITIONERS AND THEIR QUALIFICATION

Restrictions on unqualified persons acting as liquidator, trustee in bankruptcy, etc.

389 Acting without qualification an offence.

- (1) A person who acts as an insolvency practitioner in relation to a company or an individual at a time when he is not qualified to do so is liable to imprisonment or a fine, or to both.

^{F1}(1A)

- (2) This section does not apply to the official receiver [^{F2}or the Accountant in Bankruptcy (within the meaning of the Bankruptcy (Scotland) Act [^{F3}2016]).].

Textual Amendments

- F1** S. 389(1A) omitted (1.10.2015) by virtue of [Deregulation Act 2015 \(c. 20\)](#), s. 115(7), [Sch. 6 para. 18](#); [S.I. 2015/1732](#), art. 2(e)(vi)
- F2** Words in s. 389(2) inserted (1.4.1993) by [1993 c. 6, s. 11\(2\)](#) (with s. 12(6)); [S.I. 1993/438](#), [art. 3](#) (with arts. 4, 5)
- F3** Word in s. 389(2) substituted (30.11.2016) by [The Bankruptcy \(Scotland\) Act 2016 \(Consequential Provisions and Modifications\) Order 2016 \(S.I. 2016/1034\)](#), art. 1, [Sch. 1 para. 4\(7\)](#)

Modifications etc. (not altering text)

- C1** [Pt. 13](#) applied (with modifications) (7.4.2017) by [Building Societies Act 1986 \(1986 c. 53\)](#), [Sch. 15A](#) (as amended by [S.I. 2017/400](#), regs. 1(2), 2(4))
- C2** [Pt. 13](#) applied (with modifications) (7.4.2017) by [Friendly Societies Act 1992 \(1992 c. 40\)](#), [Sch. 10](#) (as amended by [S.I. 2017/400](#), regs. 1(2), 3)
- C3** [Pt. 13](#) applied (with modifications) (7.4.2017) by [Building Societies Act 1986 \(1986 c. 53\)](#), [Sch. 15](#) (as amended by [S.I. 2017/400](#), regs. 1(2), 2(3))

Changes to legislation: Insolvency Act 1986, Section 389 is up to date with all changes known to be in force on or before 21 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- C4** S. 389 applied with modifications by [S.I. 1986/1999, art. 3, Sch. 1 Pt. II](#)
- C5** S. 389 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009 \(c. 1\), ss. 103, 263\(1\)\(2\) \(with s. 247\); S.I. 2009/296, arts. 2, 3, Sch. para. 2](#)
- C6** S. 389 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009 \(c. 1\), ss. 145, 263\(1\)\(2\) \(with s. 247\); S.I. 2009/296, arts. 2, 3, Sch. para. 3](#)
- C7** S. 389 applied (with modifications) (6.6.2013) by [The Collective Investment in Transferable Securities \(Contractual Scheme\) Regulations 2013 \(S.I. 2013/1388\), Pt. 3reg. 1, Sch. 2 paras. 3, 5 Table \(with reg. 24\)](#)
- C8** S. 389 applied (with modifications) (8.7.2021) by [The Payment and Electronic Money Institution Insolvency Regulations 2021 \(S.I. 2021/716\), regs. 2, 37 \(with reg. 5\) \(as amended \(4.1.2024\) by S.I. 2023/1399, regs. 1\(2\), 4, 11\)](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)