

# Company Directors Disqualification Act 1986

### **1986 CHAPTER 46**

### Disqualification for unfitness

## 7 [<sup>F1</sup>Disqualification orders under section 6: applications and acceptance of undertakings]

- (1) If it appears to the Secretary of State that it is expedient in the public interest that a disqualification order under section 6 should be made against any person, an application for the making of such an order against that person may be made—
  - (a) by the Secretary of State, or
  - (b) if the Secretary of State so directs in the case of a person who is or has been a director of a company which is being [<sup>F2</sup>or has been] wound up by the court in England and Wales, by the official receiver.
- (2) Except with the leave of the court, an application for the making under that section of a disqualification order against any person shall not be made after the end of the period of [<sup>F3</sup>3 years] beginning with [<sup>F4</sup>—
  - (a) in a case where the person is or has been a director of a company which has become insolvent, the day on which the company became insolvent, or
  - (b) in a case where the person has been a director of a company which has been dissolved without becoming insolvent, the day on which the company was dissolved.]
- [<sup>F5</sup>(2A) If it appears to the Secretary of State that the conditions mentioned in section 6(1) are satisfied as respects any person who has offered to give him a disqualification undertaking, he may accept the undertaking if it appears to him that it is expedient in the public interest that he should do so (instead of applying, or proceeding with an application, for a disqualification order).]
  - $F_{6}(3)$  ....
    - (4) The Secretary of State or the official receiver may require [<sup>F7</sup>any person] —

- (a) to furnish him with such information with respect to [<sup>F8</sup>that person's or another person's conduct as a director of a company which has at any time become insolvent [<sup>F9</sup>or been dissolved without becoming insolvent] (whether while the person was a director or subsequently), and]
- (b) to produce and permit inspection of such books, papers and other records [<sup>F10</sup>as are considered by the Secretary of State or (as the case may be) the official receiver to be relevant to that person's or another person's conduct as such a director],

as the Secretary of State or the official receiver may reasonably require for the purpose of determining whether to exercise, or of exercising, any function of his under this section.

[<sup>F11</sup>(5) Subsections (1A) and (2) of section 6 apply for the purposes of this section as they apply for the purposes of that section.]

#### **Textual Amendments**

- F1 S. 7 heading substituted (26.5.2015 for specified purposes, 6.4.2016 in so far as not already in force) by Small Business, Enterprise and Employment Act 2015 (c. 26), ss. 107(4), 164(1); S.I. 2015/1329, reg. 3(c); S.I. 2016/321, reg. 3(b) (with Sch. paras. 1, 2)
- F2 Words in s. 7(1)(b) inserted (2.4.2001) by 2000 c. 39, s. 8, Sch. 4 Pt. I para. 6(a); S.I. 2001/766, art. 2(1)(a) (subject to transitional provisions in art. 3)
- F3 Words in s. 7(2) substituted (26.5.2015 for specified purposes, 1.10.2015 in so far as not already in force) by Small Business, Enterprise and Employment Act 2015 (c. 26), ss. 108(1), 164(1) (with s. 108(2)); S.I. 2015/1329, reg. 3(c); S.I. 2015/1689, reg. 2(e)
- F4 S. 7(2)(a)(b) substituted for words (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021 (c. 34), ss. 2(3)(a), 4(4)(b)(5) (with s. 2(14))
- F5 S. 7(2A) inserted (2.4.2001) by 2000 c. 39, s. 6(3); S.I. 2001/766, art. 2(1)(a) (subject to transitional provisions in art. 3)
- F6 S. 7(3) omitted (26.5.2015 for specified purposes, 6.4.2016 in so far as not already in force) by virtue of Small Business, Enterprise and Employment Act 2015 (c. 26), ss. 107(3), 164(1); S.I. 2015/1329, reg. 3(c); S.I. 2016/321, reg. 3(b) (with Sch. paras. 1, 2)
- F7 Words in s. 7(4) substituted (1.10.2015) by Deregulation Act 2015 (c. 20), s. 115(7), Sch. 6 para. 11(2); S.I. 2015/1732, art. 2(e)(iv) (with art. 5)
- F8 Words in s. 7(4)(a) substituted (1.10.2015) by Deregulation Act 2015 (c. 20), s. 115(7), Sch. 6 para. 11(3); S.I. 2015/1732, art. 2(e)(iv) (with art. 5)
- F9 Words in s. 7(4)(a) inserted (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021 (c. 34), ss. 2(3)(b), 4(4)(b)(5) (with s. 2(14))
- **F10** Words in s. 7(4)(b) substituted (1.10.2015) by Deregulation Act 2015 (c. 20), s. 115(7), **Sch. 6 para. 11(4)**; S.I. 2015/1732, art. 2(e)(iv) (with art. 5)
- F11 S. 7(5) inserted (26.5.2015 for specified purposes, 1.10.2015 in so far as not already in force) by Small Business, Enterprise and Employment Act 2015 (c. 26), s. 164(1), Sch. 7 para. 8; S.I. 2015/1329, reg. 3(c); S.I. 2015/1689, reg. 2(g)

#### Modifications etc. (not altering text)

- C1 S. 7 extended (with modifications) (1.7.1989) by S.I. 1989/638, regs. 20, 21
- C2 S. 7 applied (with modifications) (1.12.1994) by S.I. 1994/2421, art. 16, Sch. 8
  S. 7 amended (1.12.2001) by 2000 c. 8, s. 356(1) (as substituted by 2000 c. 39, ss. 15(3)(a)(b), 16(1));
  S.I. 3538, art. 2(1)

## *Changes to legislation:* There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Section 7. (See end of Document for details)

C3 Ss. 6-10 applied (with modifications) by S.I. 1994/2421, art. 16, Sch. 8 (as amended (E.W.) (8.12.2017) by The Insolvency (Miscellaneous Amendments) Regulations 2017 (S.I. 2017/1119), reg. 1(1), Sch. 2 paras. 4, 8)

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