



Fraud Act 2006

2006 CHAPTER 35

Fraud

9 Participating in fraudulent business carried on by sole trader etc.

- (1) A person is guilty of an offence if he is knowingly a party to the carrying on of a business to which this section applies.
- (2) This section applies to a business which is carried on—
 - (a) by a person who is outside the reach of [^{F1}section 993 of the Companies Act 2006] (offence of fraudulent trading), and
 - (b) with intent to defraud creditors of any person or for any other fraudulent purpose.
- (3) The following are within the reach of [^{F2}that section]—
 - (a) a company [^{F3}(as defined in section 1(1) of the Companies Act 2006)];
 - (b) a person to whom that section applies (with or without adaptations or modifications) as if the person were a company;
 - (c) a person exempted from the application of that section.
- (4) ^{F4}
- (5) “Fraudulent purpose” has the same meaning as in [^{F5}that section].
- (6) A person guilty of an offence under this section is liable—
 - (a) on summary conviction, to imprisonment for a term not exceeding [^{F6}the general limit in a magistrates’ court] or to a fine not exceeding the statutory maximum (or to both);
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 10 years or to a fine (or to both).
- (7) Subsection (6)(a) applies in relation to Northern Ireland as if the reference to 12 months were a reference to 6 months.

Changes to legislation: There are currently no known outstanding effects for the Fraud Act 2006, Section 9. (See end of Document for details)

Textual Amendments

- F1** Words in s. 9(2)(a) substituted (1.10.2007 with application as mentioned in Sch. 4 para. 111(6) of the amending S.I.) by virtue of [The Companies Act 2006 \(Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/2194\)](#), arts. 1(3)(a), 10(1), **Sch. 4 para. 111(2)** (with art. 12)
- F2** Words in s. 9(3) substituted (1.10.2007 with application as mentioned in Sch. 4 para. 111(6) of the amending S.I.) by [The Companies Act 2006 \(Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/2194\)](#), arts. 1(3)(a), 10(1), **Sch. 4 para. 111(3)(a)** (with art. 12)
- F3** Words in s. 9(3)(a) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 257** (with art. 10)
- F4** S. 9(4) repealed (1.10.2007 with application as mentioned in Sch. 4 para. 111(6) of the amending S.I.) by [The Companies Act 2006 \(Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/2194\)](#), arts. 1(3)(a), 10(1)(3), Sch. 4 para. 111(4), **Sch. 5** (with art. 12)
- F5** Words in s. 9(5) substituted (1.10.2007 with application as mentioned in Sch. 4 para. 111(6) of the amending S.I.) by [The Companies Act 2006 \(Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/2194\)](#), arts. 1(3)(a), 10(1), **Sch. 4 para. 111(5)** (with art. 12)
- F6** Words in s. 9(6)(a) (and, by implication, the same words in s. 9(7)) substituted (7.2.2023 at 12.00 p.m.) by [The Judicial Review and Courts Act 2022 \(Magistrates' Court Sentencing Powers\) Regulations 2023 \(S.I. 2023/149\)](#), regs. 1(2), 2(1), **Sch. Pt. 1**

Changes to legislation:

There are currently no known outstanding effects for the Fraud Act 2006, Section 9.