

STATUTORY INSTRUMENTS

2002 No. 3150

The Company Directors Disqualification (Northern Ireland) Order 2002

Consequences of contravention

Offences **N.I.**

18. If a person acts in contravention of a disqualification order or disqualification undertaking, or in contravention of Article ^{F1}... 16(2) or 17, he shall be guilty of an offence [^{F2}; and any person guilty of an offence under this Article or Article 15 or 15A] shall be liable—

- (a) on conviction on indictment, to imprisonment for not more than 2 years or a fine, or both; and
- (b) on summary conviction, to imprisonment for not more than 6 months or a fine not exceeding the statutory maximum, or both.

F1 Word in [art. 18](#) omitted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(3\)\(a\)](#), 219(1)(2)(b); [S.I. 2024/269](#), reg. 2(z2)

F2 Words in [art. 18](#) substituted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(3\)\(b\)](#), 219(1)(2)(b); [S.I. 2024/269](#), reg. 2(z2)

Personal liability for company's debts where person acts while disqualified **N.I.**

19.—(1) A person is personally responsible for all the relevant debts of a company if at any time—

- (a) in contravention of a disqualification order or disqualification undertaking or in contravention of Article 15 [^{F3}, 15A] or 17 he is involved in the management of the company, ^{F4}...
- (b) as a person who is involved in the management of the company, he acts or is willing to act on instructions given without the leave of the High Court by a person whom he knows at that time to be—
 - (i) the subject of a disqualification order or disqualification undertaking,
 - (ii) the subject of a disqualification order or disqualification undertaking under the Company Directors Disqualification Act 1986 (c. 46), or
 - (iii) an undischarged bankrupt.

[^{F5}, or

- (c) as a person who is involved in the management of the company, they act or are willing to act on instructions where—
 - (i) the instructions are given by a person whom they know at that time to be subject to director disqualification sanctions (within the meaning of Article 15A),

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- (ii) the giving of the instructions does not fall within any exception from Article 15A(1) created by virtue of section 15(3A) of the Sanctions and Anti-Money Laundering Act 2018, and
 - (iii) the instructions are not authorised,
- (but see paragraph (3A)).]

(2) Where a person is personally responsible under this Article for the relevant debts of a company, he is jointly and severally liable in respect of those debts with the company and any other person who, whether under this Article or otherwise, is so liable.

(3) For the purposes of this Article the relevant debts of a company are—

- (a) in relation to a person who is personally responsible under paragraph (1)(a), such debts and other liabilities of the company as are incurred at a time when that person was involved in the management of the company, and
- (b) in relation to a person who is personally responsible under paragraph (1)(b) [^{F6}or (c)] , such debts and other liabilities of the company as are incurred at a time when that person was acting or was willing to act on instructions given as mentioned in that paragraph.

[^{F7}(3A) But—

- (a) a person who is subject to director disqualification sanctions (within the meaning of Article 15A) is not personally responsible under paragraph (1)(a) for any relevant debts of the company incurred at a time when the person did not know and could not reasonably have been expected to know that they were subject to director disqualification sanctions;
- (b) a person is not personally responsible under paragraph (1)(c) for any relevant debts of the company incurred at a time when the person reasonably believed that the instructions were authorised.]

(4) For the purposes of this Article, a person is involved in the management of a company if he is a director of the company or if he is concerned, whether directly or indirectly, or takes part, in the management of the company.

(5) For the purposes of this Article a person who, as a person involved in the management of a company, has at any time acted on instructions given without the leave of the High Court by a person whom he knew at that time to be—

- (a) the subject of a disqualification order or disqualification undertaking, or
- (b) the subject of a disqualification order or disqualification undertaking under the Company Directors Disqualification Act 1986 (c. 46), or
- (c) an undischarged bankrupt,

is presumed, unless the contrary is shown, to have been willing at any time thereafter to act on any instructions given [^{F8}by] that person.

[^{F9}(6) Paragraph (7) applies where a person (“P”) at any time—

- (a) was involved in the management of a company, and
- (b) acted on instructions where—
 - (i) the instructions were given by a person (“D”) whom P knew at that time to be subject to director disqualification sanctions (within the meaning of Article 15A),
 - (ii) the giving of the instructions did not fall within any exception from Article 15A(1) created by virtue of section 15(3A) of the Sanctions and Anti-Money Laundering Act 2018, and
 - (iii) the instructions were not authorised,

unless P reasonably believed at that time that the instructions were authorised.

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(7) For the purposes of this Article P is presumed, unless the contrary is shown, to have been willing at any time thereafter to act on any instructions given by D.

(8) For the purposes of this Article instructions are “authorised” if they are given under the authority of a licence issued by virtue of section 15(3A) of the Sanctions and Anti-Money Laundering Act 2018.]

- F3** Word in [art. 19\(1\)\(a\)](#) inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(a\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F4** Word in [art. 19\(1\)\(a\)](#) omitted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(b\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F5** [Art. 19\(1\)\(c\)](#) and word inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(c\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F6** Words in [art. 19\(3\)\(b\)](#) inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(d\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F7** [Art. 19\(3A\)](#) inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(e\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F8** Word in [art. 19\(5\)](#) inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(f\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)
- F9** [Art. 19\(6\)-\(8\)](#) inserted (26.10.2023 for specified purposes, 4.3.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 38\(4\)\(g\)](#), [219\(1\)\(2\)\(b\)](#); [S.I. 2024/269](#), reg. 2(z2)

Modifications etc. (not altering text)

- C1** [Art. 19](#) applied by [S.I. 1989/638](#), [reg. 20\(2\)](#) (as inserted (1.10.2009) by [European Economic Interest Grouping \(Amendment\) Regulations 2009 \(S.I. 2009/2399\)](#)), {[reg. 21\(4\)](#)} (with [reg. 2](#))

Changes to legislation:

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

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

- art. 13A(4)(e)(f) inserted by [2024 c. 13 s. 99\(2\)\(b\)](#)