



# Insolvency Act 1986

## 1986 CHAPTER 45

### PART IV

#### WINDING UP OF COMPANIES REGISTERED UNDER THE COMPANIES ACTS

### CHAPTER X

#### MALPRACTICE BEFORE AND DURING LIQUIDATION; PENALISATION OF COMPANIES AND COMPANY OFFICERS; INVESTIGATIONS AND PROSECUTIONS

#### *Penalisation of directors and officers*

#### **213 Fraudulent trading.**

- (1) If in the course of the winding up of a company it appears that any business of the company has been carried on with intent to defraud creditors of the company or creditors of any other person, or for any fraudulent purpose, the following has effect.
- (2) The court, on the application of the liquidator may declare that any persons who were knowingly parties to the carrying on of the business in the manner above-mentioned are to be liable to make such contributions (if any) to the company's assets as the court thinks proper.

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

- C1** S. 213 applied (with modifications) (S.) (6.4.2001) by [S.S.I. 2001/128, reg. 4\(1\), Sch. 2](#)
- C2** S. 213 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](#)
- C3** S. 213 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](#)

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*Status: Point in time view as at 06/06/2013. This version of this provision has been superseded.*

**Changes to legislation:** *Insolvency Act 1986, Section 213 is up to date with all changes known to be in force on or before 26 June 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)*

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| <p><b>C4</b> S. 213 applied (with modifications) (6.6.2013) by <a href="#">The Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (S.I. 2013/1388)</a>, Pt. 3reg. 1, Sch. 2 paras. 3, 5 Table (with reg. 24)</p> |
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**Status:**

Point in time view as at 06/06/2013. This version of this provision has been superseded.

**Changes to legislation:**

Insolvency Act 1986, Section 213 is up to date with all changes known to be in force on or before 26 June 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.