



Insolvency Act 1986

1986 CHAPTER 45

[^{F1}PART 7A

DEBT RELIEF ORDERS

Offences

[^{F1}251S Obtaining credit or engaging in business

- (1) A person in respect of whom a debt relief order is made is guilty of an offence if, during the relevant period—
 - (a) he obtains credit (either alone or jointly with any other person) without giving the person from whom he obtains the credit the relevant information about his status; or
 - (b) he engages directly or indirectly in any business under a name other than that in which the order was made without disclosing to all persons with whom he enters into any business transaction the name in which the order was made.
- (2) For the purposes of subsection (1)(a) the relevant information about a person's status is the information that—
 - (a) a moratorium is in force in relation to the debt relief order,
 - (b) a debt relief restrictions order is in force in respect of him, or
 - (c) both a moratorium and a debt relief restrictions order is in force,as the case may be.
- (3) In subsection (1) “relevant period” means—
 - (a) the moratorium period relating to the debt relief order, or
 - (b) the period for which a debt relief restrictions order is in force in respect of the person in respect of whom the debt relief order is made,as the case may be.
- (4) Subsection (1)(a) does not apply if the amount of the credit is less than the prescribed amount (if any).

Changes to legislation: Insolvency Act 1986, Section 251S is up to date with all changes known to be in force on or before 03 July 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

- (5) The reference in subsection (1)(a) to a person obtaining credit includes the following cases—
- (a) where goods are bailed to him under a hire-purchase agreement, or agreed to be sold to him under a conditional sale agreement;
 - (b) where he is paid in advance (in money or otherwise) for the supply of goods or services.]

Textual Amendments

F1 Pt. 7A inserted (24.2.2009 for certain purposes otherwise 6.4.2009) by [Tribunals, Courts and Enforcement Act 2007 \(c. 15\)](#), ss. 108(1), 148(5), [Sch. 17](#); S.I. 2009/382, [art. 2](#)

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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\(3\)\(b\)](#)