



Company Directors Disqualification Act 1986

1986 CHAPTER 46

Preliminary

1 Disqualification orders: general.

- (1) In the circumstances specified below in this Act a court may, and under [^{F1}sections 6 [^{F2}, 8ZF] and 9A] shall, make against a person a disqualification order, that is to say an order that [^{F3}for a period specified in the order—
 - (a) he shall not be a director of a company, act as receiver of a company's property or in any way, whether directly or indirectly, be concerned or take part in the promotion, formation or management of a company unless (in each case) he has the leave of the court, and
 - (b) he shall not act as an insolvency practitioner.]
- (2) In each section of this Act which gives to a court power or, as the case may be, imposes on it the duty to make a disqualification order there is specified the maximum (and, in [^{F4}sections 6 [^{F5}, 8ZA and 8ZF]], the minimum) period of disqualification which may or (as the case may be) must be imposed by means of the order [^{F6}and, unless the court otherwise orders, the period of disqualification so imposed shall begin at the end of the period of 21 days beginning with the date of the order].
- (3) Where a disqualification order is made against a person who is already subject to such an order [^{F7}or to a disqualification undertaking], the periods specified in those orders [^{F7}or, as the case may be, in the order and the undertaking] shall run concurrently.
- (4) A disqualification order may be made on grounds which are or include matters other than criminal convictions, notwithstanding that the person in respect of whom it is to be made may be criminally liable in respect of those matters.

Textual Amendments

F1 Words in s. 1(1) substituted (20.6.2003) by 2002 c. 40, ss. 204(3), 279; S.I. 2003/1397, art. 2, Sch.

Changes to legislation: There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Cross Heading: Preliminary. (See end of Document for details)

- F2** Word in s. 1(1) inserted (22.2.2024) by Finance Act 2024 (c. 3), **Sch. 13 para. 2(2)(a)** (with Sch. 13 para. 4(2))
- F3** Words in s. 1(1) substituted (2.4.2001) by 2000 c. 39, s. 5(1); S.I. 2001/766, **art. 2(1)(a)** (subject to transitional provisions in art. 3)
- F4** Words in s. 1(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), s. 164(1), **Sch. 7 para. 2**; S.I. 2015/1329, reg. 3(c); S.I. 2015/1689, reg. 2(g)
- F5** Words in s. 1(2) substituted (22.2.2024) by Finance Act 2024 (c. 3), **Sch. 13 para. 2(2)(b)** (with Sch. 13 para. 4(2))
- F6** Words in s. 1(2) inserted (2.4.2001) by 2000 c. 39, s. 5(2); S.I. 2001/766, **art. 2(1)(a)** (subject to transitional provisions in art. 3)
- F7** Words in s. 1(3) inserted (2.4.2001) by 2000 c. 39, s. 8, **Sch. 4 Pt. 1 para. 2**; S.I. 2001/766, **art. 2(1)(a)** (subject to transitional provisions in art. 3)

Modifications etc. (not altering text)

- C1** Ss. 1, 2 extended (with modifications) (1.7.1989) by S.I. 1989/638, **regs. 20, 21**
- C2** S. 1 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**)

[^{F8}1A Disqualification undertakings: general.

- (1) In the circumstances specified in sections [^{F9}5A, 7, 8, 8ZC [^{F10}, 8ZE, 8ZF and 8ZG]] the [^{F11}appropriate authority] may accept a disqualification undertaking, that is to say an undertaking by any person that, for a period specified in the undertaking, the person—
- (a) will not be a director of a company, act as receiver of a company's property or in any way, whether directly or indirectly, be concerned or take part in the promotion, formation or management of a company unless (in each case) he has the leave of a court, and
 - (b) will not act as an insolvency practitioner.
- (2) The maximum period which may be specified in a disqualification undertaking is 15 years; and the minimum period which may be specified in a disqualification undertaking under section 7 [^{F12}, 8ZC or 8ZF] is two years.
- (3) Where a disqualification undertaking by a person who is already subject to such an undertaking or to a disqualification order is accepted, the periods specified in those undertakings or (as the case may be) the undertaking and the order shall run concurrently.
- (4) In determining whether to accept a disqualification undertaking by any person, the [^{F13}appropriate authority] may take account of matters other than criminal convictions, notwithstanding that the person may be criminally liable in respect of those matters.]
- [^{F14}(5) In this section “the appropriate authority” means—
- (a) in relation to an undertaking under section 8ZF or 8ZG, an officer of Revenue and Customs;
 - (b) in any other case, the Secretary of State.]

Changes to legislation: There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Cross Heading: Preliminary. (See end of Document for details)

Textual Amendments

- F8** S. 1A inserted (2.4.2001) by 2000 c. 39, s. 6(2); S.I. 2001/766, art. 2(1)(a) (subject to transitional provisions in art. 3)
- F9** Words in s. 1A(1) 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), s. 164(1), Sch. 7 para. 3(2); S.I. 2015/1329, reg. 3(c); S.I. 2015/1689, reg. 2(g)
- F10** Words in s. 1A(1) substituted (22.2.2024) by Finance Act 2024 (c. 3), Sch. 13 para. 2(3)(a)(i) (with Sch. 13 para. 4(2))
- F11** Words in s. 1A(1) substituted (22.2.2024) by Finance Act 2024 (c. 3), Sch. 13 para. 2(3)(a)(ii) (with Sch. 13 para. 4(2))
- F12** Words in s. 1A(2) substituted (22.2.2024) by Finance Act 2024 (c. 3), Sch. 13 para. 2(3)(b) (with Sch. 13 para. 4(2))
- F13** Words in s. 1A(4) substituted (22.2.2024) by Finance Act 2024 (c. 3), Sch. 13 para. 2(3)(c) (with Sch. 13 para. 4(2))
- F14** S. 1A(5) inserted (22.2.2024) by Finance Act 2024 (c. 3), Sch. 13 para. 2(3)(d) (with Sch. 13 para. 4(2))

Modifications etc. (not altering text)

- C3** S. 1A 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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