



# 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 section 458 of the Companies Act 1985 (c. 6) or Article 451 of the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032) (N.I. 6) (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 section 458 of the 1985 Act—
  - (a) a company (within the meaning of that Act);
  - (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) The following are within the reach of Article 451 of the 1986 Order—
  - (a) a company (within the meaning of that Order);
  - (b) a person to whom that Article applies (with or without adaptations or modifications) as if the person were a company;
  - (c) a person exempted from the application of that Article.
- (5) “Fraudulent purpose” has the same meaning as in section 458 of the 1985 Act or Article 451 of the 1986 Order.
- (6) A person guilty of an offence under this section is liable—
  - (a) on summary conviction, to imprisonment for a term not exceeding 12 months 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).

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*Status: This is the original version (as it was originally enacted).*

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- (7) Subsection (6)(a) applies in relation to Northern Ireland as if the reference to 12 months were a reference to 6 months.