



Economic Crime and Corporate Transparency Act 2023

2023 CHAPTER 56

PART 1

COMPANIES ETC

Disqualification in relation to companies

38 Disqualification of persons designated under sanctions legislation: NI

- (1) The Company Directors Disqualification (Northern Ireland) Order 2002 ([S.I. 2002/3150 \(N.I. 4\)](#)) is amended as follows.
- (2) After Article 15 insert—

“15A Designated persons under sanctions legislation

- (1) It is an offence for a person who is subject to director disqualification sanctions to act as a director of a company or directly or indirectly to take part in or be concerned in the promotion, formation or management of a company (but see paragraph (2)).
- (2) Paragraph (1) does not apply—
 - (a) to the extent that an exception from paragraph (1) has been created by virtue of section 15(3A) of the Sanctions and Anti-Money Laundering Act 2018, or
 - (b) to anything done under the authority of a licence issued by virtue of section 15(3A) of that Act.
- (3) It is a defence for a person charged with an offence under this Article to prove that they did not know and could not reasonably have been expected to know that they were subject to director disqualification sanctions at the time at which they engaged in that conduct.

- (4) In this Article “person who is subject to director disqualification sanctions” means a person who under regulations under section 1 of the Sanctions and Anti-Money Laundering Act 2018 is a person subject to director disqualification sanctions for the purposes of this Article and section 11A of the Company Directors Disqualification Act 1986 (see section 3A of the Sanctions and Anti-Money Laundering Act 2018).”
- (3) In Article 18 (criminal penalties)—
- (a) omit “15.”;
 - (b) for “and” substitute “; and any person guilty of an offence under this Article or Article 15 or 15A”.
- (4) In Article 19 (personal liability for company’s debts where person acts while disqualified)—
- (a) in paragraph (1)(a), after “Article 15” insert “, 15A”;
 - (b) omit the “or” at the end of paragraph (1)(a);
 - (c) after paragraph (1)(b) insert “, 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),
 - (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)).”;
 - (d) in paragraph (3)(b), after “(1)(b)” insert “or (c)”;
 - (e) after paragraph (3) insert—

“(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.”;
 - (f) in paragraph (5), in the closing words, after “given” insert “by”;
 - (g) after paragraph (5) insert—

“(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—

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

- (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.
 - (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.”
- (5) In Article 22 (register of disqualification orders and undertakings), in paragraph (3), after sub-paragraph (c) insert—
- “(d) persons who are subject to director disqualification sanctions within the meaning of Article 15A;
 - (e) any licences issued by virtue of section 15(3A) of the Sanctions and Anti-Money Laundering Act 2018 that authorise such a person to do anything that would otherwise be prohibited by Article 15A(1).”