

# Insolvency Act 1985

## **1985 CHAPTER 65**

### PART IV

MISCELLANEOUS AND SUPPLEMENTAL

#### Miscellaneous

#### 221 Disabilities on revocation of administration order against individual

- (1) Where a person fails to make any payment which he is required to make by virtue of an administration order under Part VI of the County Courts Act 1984, the court which is administering the estate of that person under that order may, if it thinks fit, revoke the administration order and make an order directing that this section shall apply to that person for such period, not exceeding two years, as may be specified in the order.
- (2) A person to whom this section applies by virtue of an order under subsection (1) above shall not, except with the leave of the court which made that order, act as director or liquidator of, or directly or indirectly take part or be concerned in the promotion, formation or management of, a company (within the meaning of section 1 above).
- (3) A person to whom this section so applies shall not—
  - (a) either alone or jointly with another person, obtain credit to the extent of the amount prescribed for the purposes of section 189(1)(a) above or more ; or
  - (b) enter into any transaction in the course of or for the purposes of any business in which he is directly or indirectly engaged,

without disclosing the fact that this section applies to him to the person from whom he obtains the credit or, as the case may be, with whom the transaction is entered into.

- (4) The reference in subsection (3) above to a person obtaining credit includes a reference to—
  - (a) a case where goods are bailed or hired to him under a hire-purchase agreement or agreed to be sold to him under a conditional sale agreement; and
  - (b) a case where he is paid in advance (whether in money or otherwise) for the supply of goods or services.

- (5) A person who contravenes this section shall be guilty of an offence and liable—
  - (a) on summary conviction, to imprisonment for a term not exceeding six 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 two years or to a fine or to both.