



Company Directors Disqualification Act 1986

1986 CHAPTER 46

Disqualification for unfitness

6 Duty of court to disqualify unfit directors ^{F1}....

(1) The court shall make a disqualification order against a person in any case where, on an application under this section ^{F2}...—

[^{F3}(a) the court is satisfied—

(i) that the person is or has been a director of a company which has at any time become insolvent (whether while the person was a director or subsequently), or

(ii) that the person has been a director of a company which has at any time been dissolved without becoming insolvent (whether while the person was a director or subsequently), and]

[^{F3}(b) the court is satisfied that the person's conduct as a director of that company (either taken alone or taken together with the person's conduct as a director of one or more other companies or overseas companies) makes the person unfit to be concerned in the management of a company.]

[^{F4}(1A) In this section references to a person's conduct as a director of any company or overseas company include, where that company or overseas company has become insolvent, references to that person's conduct in relation to any matter connected with or arising out of the insolvency.]

(2) For the purposes of this section ^{F5}... , a company becomes insolvent if—

(a) the company goes into liquidation at a time when its assets are insufficient for the payment of its debts and other liabilities and the expenses of the winding up,

[^{F6}(b) the company enters administration,]

(c) an administrative receiver of the company is appointed;

^{F7}

Changes to legislation: There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Section 6. (See end of Document for details)

[^{F8}(2A) For the purposes of this section, an overseas company becomes insolvent if the company enters into insolvency proceedings of any description (including interim proceedings) in any jurisdiction.]

[^{F9}(3) In this section and section 7(2), “the court” means—

- (a) where the company in question is being or has been wound up by the court, that court,
- (b) where the company in question is being or has been wound up voluntarily, any court which has or (as the case may be) had jurisdiction to wind it up,
- [^{F10}(c) where neither paragraph (a) nor (b) applies but an administrator or administrative receiver has at any time been appointed in respect of the company in question, any court which has jurisdiction to wind it up],
- [^{F11}(d) where the company in question has been dissolved without becoming insolvent, a court which at the time it was dissolved had jurisdiction to wind it up.]

(3A) Sections 117 and 120 of the ^{M1}Insolvency Act 1986 (jurisdiction) shall apply for the purposes of subsection (3) as if the references in the definitions of “registered office” to the presentation of the petition for winding up were references—

- (a) in a case within paragraph (b) of that subsection, to the passing of the resolution for voluntary winding up,
- [^{F12}(b) in a case within paragraph (c) of that subsection, to the appointment of the administrator or (as the case may be) administrative receiver.]

(3B) Nothing in subsection (3) invalidates any proceedings by reason of their being taken in the wrong court; and proceedings—

- (a) for or in connection with a disqualification order under this section, or
 - (b) in connection with a disqualification undertaking accepted under section 7,
- may be retained in the court in which the proceedings were commenced, although it may not be the court in which they ought to have been commenced.

(3C) In this section and section 7, “director” includes a shadow director]

(4) Under this section the minimum period of disqualification is 2 years, and the maximum period is 15 years.

Textual Amendments

- F1** Words in s. 6 heading omitted (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by virtue of [Rating \(Coronavirus\) and Directors Disqualification \(Dissolved Companies\) Act 2021 \(c. 34\)](#), **ss. 2(2)(a)**, 4(4)(b)(5) (with s. 2(14))
- F2** Words in s. 6(1) omitted (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by virtue of [Rating \(Coronavirus\) and Directors Disqualification \(Dissolved Companies\) Act 2021 \(c. 34\)](#), **ss. 2(2)(b)(i)**, 4(4)(b)(5) (with s. 2(14))
- F3** S. 6(1)(a)(b) substituted (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by [Rating \(Coronavirus\) and Directors Disqualification \(Dissolved Companies\) Act 2021 \(c. 34\)](#), **ss. 2(2)(b)(ii)**, 4(4)(b)(5) (with s. 2(14))
- F4** S. 6(1A) inserted (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 \(c. 26\)](#), **ss. 106(2)(b)**, 164(1); S.I. 2015/1329, reg. 3(c); S.I. 2015/1689, reg. 2(d) (with Sch. para. 2)

Changes to legislation: There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Section 6. (See end of Document for details)

- F5** Words in s. 6(2) omitted (26.5.2015 for specified purposes, 1.10.2015 in so far as not already in force) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 7 para. 7](#); [S.I. 2015/1329](#), reg. 3(c); [S.I. 2015/1689](#), reg. 2(g)
- F6** S. 6(2)(b) substituted (15.9.2003) by [2002 c. 40](#), ss. 248(3), 279, [Sch. 17 para. 41\(a\)](#) (with s. 249(1)-(3)); [S.I. 2003/2093](#), [art. 2\(1\)](#), [Sch. 1](#) (subject to transitional provisions in [arts. 3-8](#) (as amended by [S.I. 2003/2332](#), [art. 2](#)))
- F7** Words in s. 6(2) omitted (26.5.2015 for specified purposes, 1.10.2015 in so far as not already in force) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), [ss. 106\(2\)\(c\)](#), 164(1); [S.I. 2015/1329](#), reg. 3(c); [S.I. 2015/1689](#), reg. 2(d) (with [Sch. para. 2](#))
- F8** S. 6(2A) inserted (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 \(c. 26\)](#), [ss. 106\(2\)\(d\)](#), 164(1); [S.I. 2015/1329](#), reg. 3(c); [S.I. 2015/1689](#), reg. 2(d) (with [Sch. para. 2](#))
- F9** S. 6(3)-(3C) substituted (2.4.2001) for s. 6(3) by [2000 c. 39](#), s. 8, [Sch. 4 Pt. I para. 5](#); [S.I. 2001/766](#), [art. 2\(1\)\(a\)](#) (subject to transitional provisions in [art. 3](#))
- F10** S. 6(3)(c) substituted (15.9.2003) by [2002 c. 40](#), ss. 248(3), 279, [Sch. 17 para. 41\(b\)](#) (with s. 249(1)-(3)); [S.I. 2003/2093](#), [art. 2\(1\)](#), [Sch. 1](#) (subject to transitional provisions in [arts. 3-8](#) (as amended by [S.I. 2003/2332](#), [art. 2](#)))
- F11** S. 6(3)(d) inserted (15.12.2021 for specified purposes, 15.2.2022 in so far as not already in force) by [Rating \(Coronavirus\) and Directors Disqualification \(Dissolved Companies\) Act 2021 \(c. 34\)](#), [ss. 2\(2\)\(c\)](#), 4(4)(b)(5) (with s. 2(14))
- F12** S. 6(3A)(b) substituted (15.9.2003) by [2002 c. 40](#), ss. 248(3), 279, [Sch. 17 para. 41\(c\)](#) (with s. 249(1)-(3)); [S.I. 2003/2093](#), [art. 2\(1\)](#), [Sch. 1](#) (subject to transitional provisions in [arts. 3-8](#) (as amended by [S.I. 2003/2332](#), [art. 2](#)))

Modifications etc. (not altering text)

- C1** Ss. 4–6 extended (with modifications) (1.7.1989) by [S.I. 1989/638](#), [regs. 20](#), 21
- C2** Ss. 6–7 extended (with modifications) by [S.I. 1986/2142](#), [art. 6](#)
- C3** s. 6 applied (with modifications) (1.12.1994) by [S.I. 1994/2421](#), [art. 16](#), [Sch. 8](#)
S. 6 amended (1.12.2001) by [2000 c. 8](#), [s. 356\(1\)](#) (as substituted by [2000 c. 39](#), [ss. 15\(3\)\(a\)\(b\)](#), 16(1)); [S.I. 2001/3538](#), [art. 2\(1\)](#)
- C4** Ss. 6-10 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)
- C5** S. 6(2) applied (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 \(c. 26\)](#), [ss. 108\(3\)](#), 164(1); [S.I. 2015/1329](#), reg. 3(c); [S.I. 2015/1689](#), reg. 2(e)

Marginal Citations

- M1** 1986 c. 45.

Changes to legislation:

There are currently no known outstanding effects for the Company Directors Disqualification Act 1986, Section 6.