

*These notes refer to the Small Business, Enterprise and Employment Act 2015 (c.26) which received Royal Assent on 26 March 2015*

# **SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT ACT 2015**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 9: DIRECTORS' DISQUALIFICATION ETC.**

##### **New grounds for disqualification**

##### ***Section 105: Persons instructing unfit director***

683. This section inserts new sections into the CDDA 1986 to introduce a new ground for disqualification for persons who are not directors but who exert requisite influence over a director.
684. This applies where a director has been disqualified, or has given a disqualification undertaking for conduct under sections 6 (directors of insolvent companies) or 8 (disqualification of director on finding of unfitness) of the CDDA 1986. If any of the conduct for which the director was disqualified was caused because the director followed the instruction or direction of someone else, the person giving that direction or instruction may also be disqualified. Applications to court for disqualification orders on these grounds are subject to a public interest test.
685. The Secretary of State will also be able to accept a disqualification undertaking instead of making an application to court.