

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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 9: DIRECTORS' DISQUALIFICATION ETC.

Determining unfitness

Section 106: Determining unfitness and disqualifications: matters to be taken into account

686. This section amends the CDDA 1986 to broaden the matters to which the court must have regard when determining whether a person should be disqualified as a director.
687. Subsections (5) and (6) amend the CDDA 1986 to require a court to take into account a range of matters connected with a person's behaviour, as set out in the new Schedule 1 to the CDDA 1986, when considering whether a person is unfit to be a director of a company, whether to exercise a discretion to disqualify a person, and what a period of disqualification should be. A power is included to allow the modification of Schedule 1 of the Companies Directors Disqualification Act 1986 by order approved by a resolution of both Houses of Parliament.
688. Subsection (2) enables the court to take conduct in relation to overseas companies into account when considering a disqualification application in relation to the conduct of a director of an insolvent company.
689. Subsection (3) enables a person's conduct in relation to more than one company, including any overseas companies, to be taken into account by the court when deciding whether or not to make a disqualification order under section 8 of the CDDA 1986 and when deciding whether to accept a disqualification undertaking.