

*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.**

##### **Director disqualification: other amendments**

##### ***Section 108: Unfit directors of insolvent companies: extension of period for applying for disqualification order***

695. This section amends section 7 of the CDDA 1986 to increase the period of time within which the Secretary of State or official receiver on direction by the Secretary of State may apply to the court for disqualification of an unfit director of an insolvent company from two to three years from the date that company became insolvent.

##### ***Section 109: Directors: removal of restriction on application for disqualification order***

696. This section amends section 8 of the CDDA 1986 to remove the restriction on the type of investigative material that may be used by the Secretary of State to decide whether or not to bring disqualification proceedings against the directors of a company in the public interest.

697. Currently only reports made by certain inspectors, and information or documents obtained under certain legislative powers may be used for this purpose. By removing this restriction, the Secretary of State may use any information to decide whether or not to bring disqualification proceedings against a director or shadow director of a company.