

## Disqualification of restricted person following subsequent winding up

848. (1) This section applies where—

(a) a restricted person is or becomes a director of a company that commences to be wound up within the period of 5 years after the date of commencement of the winding up of the company whose insolvency caused that person to be a restricted person, and

(b) it appears to the liquidator of the first-mentioned company that that company is, at the date of commencement of its winding up or at any time during the course of its winding up, unable to pay its debts.

(2) In any case to which this section applies, the liquidator shall report the matters set out in subsection (1) to the court, and the court, if it considers that it is proper to do so, may make a disqualification order against the restricted person for such period as it thinks fit.

(3) If the liquidator fails to comply with subsection (2), he or she shall be guilty of a category 3 offence.

(4) In this section—

(a) “restricted person” has the same meaning as it has in Chapter 3;

(b) references to a company (other than the company whose insolvency caused the person concerned to be a restricted person) are references to any company within the meaning of section 819 (6).