ORIC INFORMATION SHEET

Supporting the rule book

Disqualification of directors

A person is automatically disqualified from managing corporations if they:

- are undischarged bankrupts or
- have been convicted of certain offences (such as offences involving dishonesty with a minimum penalty of imprisonment for three months).

People who are disqualified from managing corporations under the *Corporations Act 2001* are also disqualified from managing Aboriginal and Torres Strait Islander corporations, and vice versa.

In some circumstances, the Registrar can apply to the court to have a person disqualified if they have breached the Act or been involved in two or more corporations that have experienced corporate failure.

The Registrar can disqualify people from managing corporations (without seeking a court order) under some circumstances, provided that the person has had an opportunity to respond to a notice of the Registrar.

The length of time that a person is disqualified depends on why they were disqualified.

The Registrar and the court have the power to grant leave to a disqualified person to manage a corporation.

ORIC will maintain a register of people who have been disqualified by the court or the Registrar.

More information

If you require further information or help, please call ORIC on 1800 622 431 (free call except for mobiles) or info@oric.gov.au.