



Insolvency Act 1986

1986 CHAPTER 45

PART IV

WINDING UP OF COMPANIES REGISTERED UNDER THE COMPANIES ACTS

CHAPTER VIII

PROVISIONS OF GENERAL APPLICATION IN WINDING UP

[^{F1}Non-preferential debts

[^{F1}176AZA] Non-preferential debts of financial institutions

- (1) This section applies in the winding up of a company which is a relevant financial institution.
- (2) The company's ordinary non-preferential debts shall be paid in priority to its secondary non-preferential debts.
- (3) The company's secondary non-preferential debts—
 - (a) shall be paid in priority to its tertiary non-preferential debts, and
 - (b) rank equally among themselves after the ordinary non-preferential debts and shall be paid in full, unless the assets are insufficient to meet them, in which case they abate in equal proportions.
- (4) See section 387A for definitions relevant to this section.]

Textual Amendments

- F1** S. 176AZA and cross-heading inserted (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), arts. 1(2), 6 (with art. 3)

Changes to legislation: *Insolvency Act 1986, Section 176AZA is up to date with all changes known to be in force on or before 29 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Modifications etc. (not altering text)

- C1** S. 176AZA applied (with modifications) (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), **arts. 1(2)**, 14(1) (with art. 3)
- C2** S. 176AZA applied (with modifications) (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), **arts. 1(2)**, 16 (with art. 3)
- C3** S. 176AZA applied (with modifications) (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), **arts. 1(2)**, 17 (with art. 3)
- C4** S. 176AZA modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), regs. 1(4), **111** (with reg. 108)

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)