IN THE UNITED STATES BANKRUPTCY COURT

FOR THE SOUTHERN DISTRICT OF ALABAMA

In re: )

)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, ) Case No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

)

Debtor(s). )

ORDER APPROVING AUTOMOBILE INSURANCE SETTLEMENT

This case is before the court on a motion by debtor(s) (doc. \_\_\_\_) to approve an automobile insurance settlement with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“insurer”) for the total loss of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ vehicle (“vehicle”). Creditor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“creditor”) has filed a secured claim related to the vehicle, claim no. \_\_\_\_\_ (“the secured claim). The court has reviewed the submitted materials and conducted a hearing and approves the insurance settlement in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. The insurance settlement proceeds are to be disbursed as follows (mark one):
2. \_\_\_\_\_\_ The settlement proceeds are less than the secured claim balance. Therefore, the insurer is directed to send the total settlement amount to the Chapter 13 Trustee, P.O. Box 1779, Memphis, TN 38101. The trustee shall apply the funds to the creditor’s secured claim and any accrued interest and applicable commission. Any claim balance remaining after application of the insurance proceeds shall be treated as unsecured.
3. \_\_\_\_\_\_ The settlement proceeds are more than the secured claim balance. The insurer is directed to send the total settlement amount to the Chapter 13 Trustee, P.O. Box 1779, Memphis, TN 38101. The trustee shall apply the funds in this order: creditor’s secured claim and any accrued interest and applicable commission; any plan payment deficiency; and the remaining proceeds, if any, to the debtor(s).
4. \_\_\_\_\_\_ The settlement proceeds are more than the secured claim balance. The insurer is directed to send the funds as follows:

$ \_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the Chapter 13 Trustee, P.O. Box 1779, Memphis, TN 38101. The trustee shall apply the funds in this order: creditor’s secured claim and any accrued interest and applicable commission; any plan payment deficiency; and then to the case with the percentage to unsecured creditors to increase accordingly.

$ \_\_\_\_\_\_\_\_\_\_\_\_\_\_ directly to the debtor(s).

1. After payment of its secured claim, creditor shall release the certificate of title to the vehicle to the insurer at the following address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.