

ORDER LANGUAGE FOR APPLICATION OF PROCEEDS IN CHAPTER 13 CASES

PROCEEDS FROM INSURANCE SETTLEMENT TO BE APPLIED TO CREDITOR'S CLAIM:

Proceeds are less than secured claim balance:

1. Proceeds shall be applied to the secured portion of the claim plus any accrued interest and applicable trustee's commission. Any claim balance remaining after application of the insurance proceeds shall be treated as unsecured.
2. Upon receipt of the insurance proceeds (CREDITOR) shall release the certificate of title to (INSURANCE COMPANY, ADDRESS).

Proceed are greater than the secured claim balance:

1. Proceeds shall be first used to pay in full the secured portion of the claim plus any accrued interest and applicable trustee's commission. The remaining proceeds shall be paid as follows:
 - a. \$ _____ to the plan delinquency.
 - b. \$ _____ to the Debtor(s) as exempt.
 - c. \$ _____ (or any remaining proceeds) paid to the Debtor for the limited purpose of purchasing a replacement vehicle.
 - d. Any remaining proceeds shall be applied pursuant to the Debtor's Chapter 13 plan with the percentage to unsecured creditors to increase accordingly.
2. Upon receipt of the insurance proceeds (CREDITOR) shall release the certificate of title to (INSURANCE COMPANY, ADDRESS).

SETTLEMENT PROCEEDS TO BE APPLIED TO THE PLAN (SALES, PERSONAL INJURY, ETC.):

Proceeds remaining after payment of perfected liens, allowed professional fees, and allowed expenses shall be paid as follows:

- a. \$ _____ to the plan delinquency.
- b. \$ _____ to the Debtor(s) as exempt.
- c. \$ _____ paid to the Debtor for the limited purpose of _____ (Reason).
- d. Any remaining proceeds shall be applied pursuant to the Debtor's Chapter 13 plan with the percentage to unsecured creditors to increase accordingly.