

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF LOUISIANA**

IN RE:

CASE NO.

DEBTOR

SECTION __
CHAPTER __

Ex Parte Motion To Apply Insurance Proceeds On Secured Obligations

NOW INTO COURT, through undersigned counsel, comes _____, a secured creditor herein, who with respect represents:

1.

On __[filing date]_____, _____ (“Debtor(s)”) filed a voluntary petition for relief under Title 11, chapter ___ of the United States Bankruptcy Code.

2.

[Delete this paragraph in Chapter 7 cases]

On __[confirmation date]_____, this Court confirmed Debtors’ plan of reorganization (“Plan”), a copy of which is attached hereto as Exhibit “A.”.

3.

Under the terms of the Plan, __[Lender] (“Creditor”)_____ was recognized as a secured creditor [Delete this sentence in Chapter 7 cases]. The collateral securing Debtors’ obligations to [Lender] (“Creditor”) is _____. In connection with Debtors’ case. Creditor filed a proof of claim setting forth the amounts owed and the security interests Creditor alleged to exist in its favor. No objection to Creditor’s proof of claim was filed. [OR, Objection to Creditor’s proof of claim was filed and [denied, settled, or sustained]. As a result, Creditor’s claim was recognized in the amount of \$_____ and its secured

interest in the amount of \$_____.

4.

[Delete this paragraph in Chapter 7 cases]

Under the terms of the Plan, Debtors proposed to pay __[number]_ monthly payments of \$_____ on an outstanding arrearage of \$_____ due Creditor. In addition, Debtors committed to make monthly payments outside of the plan in the amount of \$_____ per month to Creditor.

5.

Due to the effects of [describe calamity], the collateral securing the claims of Creditor was damaged. Insurance existed on the property and a claim was filed by Debtors. On _____, Creditor received a check in the amount of \$_____ from [insurer's name]. The check has been deposited and Creditor requests permission to apply the funds received to the amounts due by Debtors.

6.

Creditor has notified the Trustee, Debtors, Debtors' counsel, and any party holding an interest in the property, of the filing of this Motion. In addition, Creditor has provided a payoff statement of the amounts due on its claims to these same parties. Notice was delivered by United States Mail as well as by [facsimile or electronic delivery] on _____.

7.

Creditor requests permission to apply the funds received towards the satisfaction of its claims. Within thirty (30) days of the entry of an order allowing application of the funds, Creditor agrees to provide an accounting of the amounts due to the Trustee, Debtors, Debtors' counsel, and any party holding an interest in the property. Creditor will also amend or withdraw,

as appropriate, any proof of claim on file in this case to reflect the application of the funds.

8.

In the event that the claims of Creditor are satisfied in full, Creditor will also deliver the original note or evidence of indebtedness, and ,if applicable, return all title documents to counsel for Debtors within sixty (60) days of the entry of an order on this Motion.

9.

After satisfaction of the amounts due, should any funds remain, Creditor agrees to remit those funds to the Trustee within thirty (30) days of the entry of an order on this Motion.

WHEREFORE, Creditor, a secured creditor herein, prays that without the necessity of a hearing, it be allowed to apply the proceeds from insurance received towards the satisfaction of the claims held by Creditor against Debtors. Within thirty (30) days of the entry of an order on this Motion, granting the requested relief, Creditor will supply an accounting of the amounts applied and any sums remaining to the Trustee, Debtors, Debtors' counsel, and any party holding an interest in the property. Creditor shall, within thirty (30) days of the entry of an order on this Motion, amend or withdraw, as appropriate, any proof of claim filed in this case to reflect the application of funds. If after application of the funds the secured claims of Creditor are fully satisfied, Creditor will return the original note or evidence of indebtedness marked paid, as well as any title documents, to Debtors' counsel, within sixty (60) days of the entry of an order on this Motion. Should any funds remain after the satisfaction of sums due to Creditor, Creditor will remit them to the Trustee within thirty (30) days after entry of an order on this Motion.

Respectfully submitted,