



SO ORDERED,

Judge Katharine M. Samson
United States Bankruptcy Judge
Date Signed: January 23, 2015

The Order of the Court is set forth below. The docket reflects the date entered.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION

In re:)	
)	
MISSISSIPPI PHOSPHATES)	
CORPORATION, <i>et al.</i> ¹)	CASE NO. 14-51667-KMS
)	Chapter 11
)	
Debtors)	Jointly Administered
)	

ORDER APPROVING MOTION OF THE DEBTORS PURSUANT TO SECTIONS 105(a), 363(b) AND 365(a) OF THE BANKRUPTCY CODE TO AUTHORIZE AND APPROVE (I) THE DEBTORS' ASSUMPTION OF EXISTING INSURANCE PROGRAM, AND (II) THE DEBTORS' ENTRY INTO AN INSURANCE PROGRAM WITH NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PENNSYLVANIA

[Dkt. # 327]

This matter came before the Court on the *Motion of the Debtors Pursuant to Sections 105(a), 363(b) and 365(a) of the Bankruptcy Code to Authorize and Approve (I) the Debtors' Assumption of Existing Insurance Program, and (II) the Debtors' Entry Into an Insurance Program with National Union Fire Insurance Company of Pittsburgh,*

¹ The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. #62]: Mississippi Phosphates Corporation ("**MPC**"). Case No. 14-51667. Ammonia Tank Subsidiary, Inc. ("**ATS**"). Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. ("**SATS**"). Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the "**Bankruptcy Cases**."

Pennsylvania (the “*Motion*”)² [Dkt. # 327] of Mississippi Phosphates Corporation, *et al.*, the Debtors and debtors-in-possession (the “*Debtors*”) in the above-captioned chapter 11 case. The Court considered the Motion and finds as follows:

1. Notice of the Motion was proper and sufficient.
2. No response or objection was timely filed to the Motion within the 24-day period from the date the Notice was mailed.
3. The relief requested in the Motion is in the best interests of the Debtors, the bankruptcy estates, the creditors, and other parties-in-interest.
4. The Motion is well-taken and should be granted.

IT IS, THEREFORE, ORDERED as follows:

1. The Motion is granted.
2. The Debtors are hereby authorized to assume the Existing Insurance Program in its entirety with the Insurer in accordance with Section 365 of the Bankruptcy Code.
3. The Debtors are authorized to enter into the Renewal Insurance Program.
4. The Debtors are authorized to agree and to execute all documentation necessary to assume the Existing Insurance Program and to enter into the Renewal Insurance Program.
5. The Debtors are authorized to enter into further renewals of the Insurance Program without further order of the Court and this Order shall govern such renewals.
6. The Debtors are authorized to cure all defaults upon entry of this Order and are authorized and directed to pay their obligations under the Insurance Program, including, without limitation, premium and losses, in the ordinary course of business, in accordance with the relevant terms of the Insurance Program, without further order of the Court.

² Any capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

7. In the event of a default by the Debtors under the Insurance Program, the Insurer may exercise all contractual rights in accordance with the terms of the Insurance Program without further order of this Court, including, without limitation, its rights to (i) cancel the Insurance Program, (ii) foreclose on any collateral, in part or in full, in which it has a security interest and which may be subject to the automatic stay, and (iii) receive and apply the unearned or returned premiums to the Debtors' outstanding obligations to the Insurer. The automatic stay shall be deemed lifted without further order of this Court.

8. The reimbursement obligations and any other obligations under the Insurance Program (regardless of whether all or any part of such obligations are liquidated before or after confirmation of a plan or conversion of one or more of the Bankruptcy Cases to chapter 7) shall be administrative obligations entitled to priority under Section 503(b) of the Bankruptcy Code. Because the Debtors are authorized and directed to meet their obligations under the Insurance Program without further order of the Court, no additional proof of claim or request for payment of administrative expenses need be filed by the Insurer.

9. The Insurer is exempt from any bar date that may be issued for the filing of any proof of claim relating to administrative expenses and any bar date or response date relating to cure amounts under a plan or otherwise.

10. All collateral or security held at this time by the Insurer and all prior payments to the Insurer under the Insurance Program are approved and are unavoidable transfers under the Bankruptcy Code and applicable state law.

11. The Insurer is authorized to retain and use such collateral or security, any additional or replacement collateral or security, and any prior or future payment that may be provided to the Insurer in accordance with the Insurance Program's terms.

12. The Insurer is authorized to adjust, settle and pay insured claims, utilize funds provided for that purpose, and otherwise carry out the terms and conditions of the Insurance Program, without further order of this Court, provided, however, nothing herein shall be deemed to grant relief from the stay to a non-workers compensation claimant to pursue any claim in a non-bankruptcy court.

13. The Insurance Program may not be altered by any plan of reorganization filed or confirmation order entered in these Bankruptcy Cases and shall survive any plan of reorganization filed by the Debtors.

14. Nothing in any plan of reorganization confirmed in these Bankruptcy Cases shall impair the interests of the Insurer in the collateral that it holds or in the collateral that it is receiving in accordance with this Order.

15. Any entity assuming the administrative obligations of the Debtors, generally, will assume all obligations of the Debtors under the Insurance Program and this Order, unless adequate protection is otherwise provided to the Insurer with the consent of the Insurer.

16. The Debtors' rights against all collateral held by the Insurer, in whatever form, are governed by the terms of the Insurance Program and the related security documentation, and the Debtors will not take any action against the Insurer in the Bankruptcy Court that is inconsistent with the terms of such documentation, including, without limitation, actions for turnover or estimation.

17. Any plan shall provide adequate protection for the obligations arising under the Insurance Program.

18. Estimation of the Insurer's claim under Section 502(c) of the Bankruptcy Code will not be authorized as a basis to require the Insurer to return any part of the security it now

holds for the Insurance Program, and during the pendency of these Bankruptcy Cases, the Insurer will not be required, except as otherwise provided in the underlying contracts, to return any part of the security it now holds for the Insurance Program without adequate protection for its interest in such security to be returned pursuant to Section 361(1) of the Bankruptcy Code.

19. Notwithstanding the foregoing, the Insurer may seek to estimate its unsecured administrative claim in the event the estates of the Debtors is to be (or has been) liquidated and/or dispersed.

20. The Debtors are authorized to reimburse the Insurer for its reasonable and necessary legal fees and expenses incurred in connection with obtaining the approval or enforcement of this Order.

###END OF ORDER###

ORDER PREPARED AND SUBMITTED BY:

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