Assets = $300

Unsecured Claims = $600

$300 / $600 = 50% recovery

Case 1: Equal claims

T1: Big Bank = $200|$200

T2: Local Lender = $200|$100

T3: Our Supplier = $200|$0

FIRST IN TIME DISTRIBUTION

No security interests

T1, T2, T3 = a time

Case 2: Claims differ

Big Bank = $300|$300

Local Lender = $200|$0

Our Supplier = $100|$0

Assets = $300

Unsecured Claims = $600

$300 / $600 = 50% recovery

Case 1: Equal claims

T1: Big Bank = $200|$0

T2: Local Lender = $200|$100

T3: Our Supplier = $200|$200

No security interests

T1, T2, T3 = a time

Case 2: Claims differ

Big Bank = $300|$0

Local Lender = $200|$200

Our Supplier = $100|$100

Assets = $300

Unsecured Claims = $600

$300 / $600 = 50% recovery

Case 1: Equal claims

Big Bank = $200|$100

Local Lender = $200|$100

Our Supplier = $200|$100

ROTATING DISTRIBUTIONS

No security interests

Case 2: Claims differ

Big Bank = $300|$100

Local Lender = $200|$100

Our Supplier = $100|$100

Assets = $300

Unsecured Claims = $600

$300 / $600 = 50% recovery

Case 1: Equal claims

T1: Big Bank = $200|$100

T2: Local Lender = $200|$100

T3: Our Supplier = $200|$100

PRO RATA DISTRIBUTION

No security interests

T1, T2, T3 = a time

Case 2: Claims differ

Big Bank = $300|$150

Local Lender = $200|$100

Our Supplier = $100|$50

Total Assets = $300

Perfected Claim = $200

FA = **$100** | UC = **$400**

$100 / $400 = 25% recovery

Case 1: Equal claims

T1: Big Bank = $200|$200

T2: Local Lender = $200|$50

T3: Our Supplier = $200|$50

BIG BANK SECURITY INTEREST

Perfected Claim = $300

FA = **$0** | UC = **$300**

$0 / $300 = 0% recovery

Case 2: Claims differ

Big Bank = $300|$300

Local Lender = $200|$0

Our Supplier = $100|$0

Total Assets = $400

Perfected Claim = $200

FA = **$200** | UC = **$400**

$200 / $400 = 50% recovery

Case 1: Equal claims

T1: Big Bank = $200|$200

T2: Local Lender = $200|$100

T3: Our Supplier = $200|$100

BIG BANK SECURITY INTEREST

Perfected Claim = $300

FA = **$100** | UC = **$300**

$100 / $300 = 33% recovery

Case 2: Claims differ

Big Bank = $300|$300

Local Lender = $200|$67

Our Supplier = $100|$33