

ENTERED

April 16, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

| | |
|--|--|
| In re: |) Chapter 11 |
| |) |
| AUTO PLUS AUTO SALES LLC, ¹ |) Case No. 23-90055 (CML) |
| |) |
| Wind-Down Debtor. |) (Formerly Jointly Administered under |
| |) Lead Case IEH Auto Parts Holding |
| |) LLC, Case No. 23-90054) |
| |) |

**STIPULATION AND AGREED ORDER BETWEEN THE WIND-DOWN DEBTORS
AND 3M COMPANY FOR PARTIAL ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSE PORTION OF ITS CLAIM**

The above-captioned wind-down debtors (collectively, the “Debtors”) and 3M Company (“3M”, and together with the Debtors, the “Parties”), enter into this stipulation (the “Stipulation”) and consent to entry of the agreed order below (the “Order”), as follows:

BACKGROUND

1. On March 21, 2022, 3M and the Debtors entered into the 2022-2024 US Wholesaler Agreement and the 2022 3M Automotive Aftermarket Warehouse Distributor Incentive Program (collectively, the “Agreements”), pursuant to which the Debtors agreed to purchase certain goods from 3M.

2. On January 31, 2023 (the “Petition Date”), the Debtors filed voluntary petitions under chapter 11 of Title 11 of the United States Code, initiating the above-captioned, jointly administered bankruptcy cases.

¹ The Wind-Down Debtor’s service address is: 5330 Carmel Crest Lane, Charlotte, North Carolina 28226. All pleadings related to these chapter 11 cases may be obtained from the website of the Wind Down Debtor’s claims and noticing agent at <https://www.kccllc.net/autoplus>.



3. On June 16, 2023, the Court entered its *Order Confirming the Third Amended Combined Disclosure Statement and Joint Plan of Liquidation of IEH Auto Parts Holding LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 749] (the “Confirmation Order”) confirming the *Combined Plan and Disclosure Statement* (the “Plan”) [Docket No. 442] of the Debtors.

4. The “Effective Date” of the Plan occurred on October 6, 2023 [Docket No. 922].

5. On April 28, 2023, 3M filed Proof of Claim No. 525 (the “Claim”) asserting a claim in the total amount of \$2,132,604.59, \$518,040.25 of which was claimed as a section 503(b)(9) administrative priority claim for goods provided to the Debtors in the ordinary course of business in the twenty-day period preceding the Petition Date (the “503(b)(9) Claim”), and \$1,614,564.24 of which was asserted as a general unsecured claim (the “GUC Claim”).²

6. Upon a reconciliation of the 503(b)(9) Claim and arms’ length, good faith negotiations, the Debtors and 3M have agreed to fully and finally compromise and settle the 503(b)(9) portion of the Claim to avoid further litigation and intend for this Stipulation to dispose of the entirety of the 503(b)(9) portion of the Claim, with any remainder to be reclassified as part of the GUC Claim, subject to and without any limitation on the GUC Trustee’s ability to object to the same. The GUC Claim shall otherwise remain unchanged and subject to review, reconciliation, and objection by the GUC Trustee in every respect as provided for under the Plan, including without limitation, objection on the basis that all or any portion of the asserted GUC Claim should have been claimed as a section 503(b)(9) claim (a “Section 503(b)(9) Claim”), and 3M reserves all rights with respect to the GUC Claim.

² The reconciliation and resolution of the GUC Claim is being conducted by the GUC Trustee. To be clear, this Stipulation does not pertain to or in any way affect the GUC Claim. All rights of 3M and the GUC Trustee with respect to the GUC Claim are reserved, including the rights of the GUC Trustee to object to the same.

IT IS STIPULATED AND AGREED, AND UPON APPROVAL BY THE BANKRUPTCY COURT OF THIS STIPULATION, IT IS ORDERED AS FOLLOWS:

1. The Stipulation is approved and its terms incorporated into this Order.
2. 3M has an allowed administrative expense claim pursuant to section 503(b)(9) in the amount of \$497,847.75 (the “3M Administrative Expense Claim”). For the avoidance of doubt, the portion of the Claim allowed administrative priority treatment in this case is capped at \$497,847.75, subject to the GUC Trustee’s right to object to and seek to reclassify all or any portion of the GUC Claim or the Remainder (defined below) as a Section 503(b)(9) Claim.
3. The remainder of the administrative claim amount, \$9,858.73 (the “Remainder”), shall be reclassified as part of the GUC Claim. For the avoidance of doubt, the Remainder and the originally asserted GUC Claim shall remain subject to review, reconciliation, and objection by the GUC Trustee in every respect as provided for under the Plan, including without limitation, objection on the basis that all or any portion of the asserted general unsecured claim should have been claimed as a section 503(b)(9) claim. 3M reserves its rights, without limitation, with respect to the Remainder and the GUC Claim.
4. 3M’s general unsecured claims, including the Remainder and the originally asserted general unsecured portion of the GUC Claim totaling \$1,614,564.24, shall remain subject to review, reconciliation, and objection by the GUC Trustee in every respect as provided for under the Plan, including without limitation, objection on the basis that all or any portion of the asserted general unsecured claims should have been claimed as a section 503(b)(9) claim, and 3M’s rights with respect to the Remainder and the GUC Claim remain fully reserved.
5. The Debtors shall pay the full amount of the 3M Administrative Expense Claim to 3M as soon as practicable within three (3) business days after entry of this Order, as authorized by

the confirmed Plan in these chapter 11 cases, which shall be in full satisfaction of the 3M Administrative Expense Claim.

6. Once made, the payment shall not be subject to avoidance, rescission, or claw-back at any time for any reason.

7. The terms and conditions of the Stipulation and this Order shall be immediately effective and enforceable upon entry of this Order.


8. This Order is binding upon and for the benefit of the Parties and their respective successors, agents, assigns, including bankruptcy trustees and estate representatives, and any parent, subsidiary, or affiliated entity of the Parties (for which such Party is legally entitled to bind such parent, subsidiary or affiliated entity of the Party under applicable law).

9. This Stipulation and Order constitutes the entire agreement between the Parties with respect to the 3M Administrative Expense Claim and supersedes all prior discussions, agreements, and understandings, both written and oral, among the Parties with respect thereto.

10. This Court retains jurisdiction with respect to all matters arising from or related to this Order, and the Parties consent to such jurisdiction to resolve any disputes or controversies arising from or related to this Order.

IT IS SO ORDERED.

Signed: April 16, 2024



Christopher Lopez
United States Bankruptcy Judge

AGREED TO ON APRIL 10, 2024 BY:

/s/ Zachary McKay

JACKSON WALKER LLP

Matthew D. Cavanaugh (TX Bar No. 24062656)

Veronica A. Polnick (TX Bar No. 24079148)

Vienna Anaya (TX Bar No. 24091225)

Emily Meraia (TX Bar No. 24129307)

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COUNSEL TO THE WIND-DOWN DEBTORS

-and-

/s/ Alison Elko Franklin

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-and-

Alison Elko Franklin (*admitted pro hac vice*)

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COUNSEL TO 3M COMPANY

United States Bankruptcy Court
Southern District of Texas

In re:
Auto Plus Auto Sales LLC
IEH BA LLC
Debtors

Case No. 23-90055-cml
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: Apr 16, 2024

User: ADIuser
Form ID: pdf002

Page 1 of 3
Total Noticed: 16

The following symbols are used throughout this certificate:

Symbol Definition

+ Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Apr 18, 2024:

| Recip ID | Recipient Name and Address |
|----------|--|
| db | + AP Acquisition Company North Carolina LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + AP Acquisition Company Washington LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + Auto Plus Auto Sales LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + IEH AIM LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + IEH Auto Parts Holding LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + IEH Auto Parts Puerto Rico, Inc., 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| db | + IEH BA LLC, 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144-3754 |
| cr | + Nyler Shields, c/o Peter B. Geen, Jr., 80 Monroe Ave, Ste900, Memphis, TN 38103-2481 |

TOTAL: 8

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

| Recip ID | Notice Type: Email Address | Date/Time | Recipient Name and Address |
|----------|---|----------------------|---|
| cr | + Email/Text: bankruptcy.legalnotice@cityofmesquite.com | Apr 16 2024 20:00:00 | City of Mesquite, Grimes & Linebarger, LLP, c/o John K. Turner, 120 W Main Suite 201, Mesquite, TX 75149-4224 |
| cr | + Email/Text: julie.parsons@mvalaw.com | Apr 16 2024 20:00:00 | Dallam County Appraisal District, McCreary, Veselka, Bragg & Allen, P.C., P.O. Box 1269, Round Rock, TX 78680-1269 |
| cr | + Email/Text: dallas.bankruptcy@LGBS.com | Apr 16 2024 20:00:00 | Dallas County, Linebarger Goggan Blair & Sampson, LLP, c/o John K Turner, 2777 N. Stemmons Frwy Ste 1000, Dallas, TX 75207-2328 |
| cr | + Email/Text: collections@eucmail.com | Apr 16 2024 20:00:00 | Easton Utilities, POB 1189, 219 N Washington St, Easton, MD 21601-3150 |
| cr | + Email/Text: dallas.bankruptcy@LGBS.com | Apr 16 2024 20:00:00 | Irving ISD, Linebarger Goggan Blair & Samspon, LLP, c/o John K. Turner, 2777 N. Stemmons Frwy Ste 1000, Dallas, TX 75207-2328 |
| cr | + Email/Text: dallas.bankruptcy@LGBS.com | Apr 16 2024 20:00:00 | Tarrant County, Linebarger Goggan Blair & Sampson, LLP, c/o John K. Turner, 2777 N. Stemmons Frwy Ste 1000, Dallas, TX 75207-2328 |
| cr | + Email/Text: julie.parsons@mvalaw.com | Apr 16 2024 20:00:00 | The County of Dallam, Texas, McCreary, Veselka, Bragg & Allen, P.C., P.O. Box 1269, Round Rock, TX 78680-1269 |
| cr | + Email/Text: julie.parsons@mvalaw.com | Apr 16 2024 20:00:00 | The County of Stephens, Texas, c/o McCreary, Veselka, Bragg & Allen, P.O. Box 1269, Round Rock, TX 78680-1269 |

TOTAL: 8

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

District/off: 0541-4
Date Rcvd: Apr 16, 2024

User: ADIuser
Form ID: pdf002

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Total Noticed: 16

| Recip ID | Bypass Reason | Name and Address |
|----------|---------------|--|
| tr | | Michael D. Warner |
| cr | | Disney Road Associates, LLC |
| intp | | Edwin McCrary |
| intp | | Jackson Walker LLP |
| op | | Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, 3rd Floor, El Segundo |

TOTAL: 5 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Apr 18, 2024

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on April 16, 2024 at the address(es) listed below:

| Name | Email Address |
|------------------------|---|
| Christopher R. Bankler | on behalf of Plaintiff IEH Auto Parts Holding LLC cbankler@jw.com kgradney@jw.com |
| Emily Meraia | on behalf of Debtor Auto Plus Auto Sales LLC emeraia@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Evan Gershbein | on behalf of Other Prof. Kurtzman Carson Consultants LLC ECFpleadings@kccllc.com ecfpleadings@kccllc.com |
| Jason Lee Boland | on behalf of Interested Party Jackson Walker LLP jason.boland@nortonrosefulbright.com |
| Jayson B. Ruff | on behalf of U.S. Trustee US Trustee jayson.b.ruff@usdoj.gov |
| John Kendrick Turner | on behalf of Creditor Dallas County john.turner@lgbs.com Dora.Casiano-Perez@lgbs.com;Dallas.Bankruptcy@lgbs.com |
| John Kendrick Turner | on behalf of Creditor City of Mesquite john.turner@lgbs.com Dora.Casiano-Perez@lgbs.com;Dallas.Bankruptcy@lgbs.com |
| John Kendrick Turner | on behalf of Creditor Tarrant County john.turner@lgbs.com Dora.Casiano-Perez@lgbs.com;Dallas.Bankruptcy@lgbs.com |
| John Kendrick Turner | on behalf of Creditor Irving ISD john.turner@lgbs.com Dora.Casiano-Perez@lgbs.com;Dallas.Bankruptcy@lgbs.com |
| Julie Anne Parsons | on behalf of Creditor The County of Stephens Texas jparsons@mvbalaw.com, vcovington@mvbalaw.com;kalexander@mvbalaw.com;julie.parsons@ecf.courtdrive.com |
| Julie Anne Parsons | on behalf of Creditor Dallam County Appraisal District jparsons@mvbalaw.com vcovington@mvbalaw.com;kalexander@mvbalaw.com;julie.parsons@ecf.courtdrive.com |
| Julie Anne Parsons | on behalf of Creditor The County of Dallam Texas jparsons@mvbalaw.com, vcovington@mvbalaw.com;kalexander@mvbalaw.com;julie.parsons@ecf.courtdrive.com |
| Kim Ellen Lewinski | on behalf of Interested Party Edwin McCrary klewinski@hirschwest.com aweiler@hirschwest.com |
| Kyle Woodard | |

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Total Noticed: 16

| | |
|----------------------|--|
| | on behalf of Trustee Michael D. Warner kwoodard@krcl.com kwoodard@ecf.courtdrive.com;ecf@krcl.com |
| Lisa Ann Powell | on behalf of Creditor Disney Road Associates LLC Lisa.Powell@fisherbroyles.com |
| Millie Aponte Sall | on behalf of U.S. Trustee US Trustee millie.sall@usdoj.gov |
| Susan Tran Adams | on behalf of Debtor IEH Auto Parts Holding LLC stran@ts-llp.com stran@ts-llp.com;corraltransinghllp@jubileebk.net;ecf@mpatellaw.com |
| US Trustee | USTPRegion07.HU.ECF@USDOJ.GOV |
| Veronica Ann Polnick | on behalf of Debtor Auto Plus Auto Sales LLC vpolnick@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Veronica Ann Polnick | on behalf of Debtor IEH Auto Parts Puerto Rico Inc. vpolnick@jw.com, kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
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| Veronica Ann Polnick | on behalf of Debtor AP Acquisition Company Washington LLC vpolnick@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Veronica Ann Polnick | on behalf of Debtor AP Acquisition Company North Carolina LLC vpolnick@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Veronica Ann Polnick | on behalf of Debtor IEH Auto Parts Holding LLC vpolnick@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Veronica Ann Polnick | on behalf of Debtor IEH AIM LLC vpolnick@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;steso@jw.com;dduhon@jw.com |
| Zachary S McKay | on behalf of Debtor Auto Plus Auto Sales LLC zmckay@jw.com kgradney@jw.com;dtrevino@jw.com;jpupo@jw.com;dduhon@jw.com |

TOTAL: 26