

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

In re:)
IEH AUTO PARTS HOLDING LLC, et al.,1) Chapter 11
Debtors.) Case No. 23-90054 (CML)

SOLICITATION AND VOTING PROCEDURES

On May 2, 2023, the United States Bankruptcy Court for the Southern District of Texas (the "Court") entered an order [Docket No. 474] (the "Conditional Approval Order"): (a) authorizing the above-captioned debtors and debtors in possession (collectively, the "Debtors") to solicit votes on the 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. 474, Ex. 1] (as may be amended, supplemented, or modified from time to time and including all exhibits and supplements thereto, the "Plan" or "Disclosure Statement" or "Plan and Disclosure Statement," as applicable);2 (b) conditionally approving the Disclosure Statement as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation and documents to be included in the solicitation packages; (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan (these "Solicitation and Voting Procedures") and for filing objections to the Plan; and (e) scheduling certain dates with respect thereto.

- A. The Voting Record Date. The Court has established May 1, 2023, as the record date for purposes of determining which Holders of Claims in Class 2 (General Unsecured Claims) are entitled to vote on the Plan (the "Voting Record Date").
B. The Voting Deadline. The Court has established 4:00 p.m. (prevailing Central Time) on May 26, 2023, as the voting deadline (the "Voting Deadline") for the Plan. The Debtors may extend the Voting Deadline, at their discretion, without further order of the Court. To be counted as votes to accept or reject the Plan, all ballots (collectively, the "Ballots") must be properly executed, completed, and delivered in accordance with the instructions provided on or with the Ballot so that they are actually received, in any case, no later than the Voting Deadline by Kurtzman Carson Consultants LLC ("KCC"), the claims and

1 The Debtor entities in these chapter 11 cases, along with the last four digits of each Debtor entity's federal tax identification number, are: IEH Auto Parts Holding LLC (6529); AP Acquisition Company Clark LLC (4531); AP Acquisition Company Gordon LLC (5666); AP Acquisition Company Massachusetts LLC (7581); AP Acquisition Company Missouri LLC (7840); AP Acquisition Company New York LLC (7361); AP Acquisition Company North Carolina LLC (N/A); AP Acquisition Company Washington LLC (2773); Auto Plus Auto Sales LLC (6921); IEH AIM LLC (2233); IEH Auto Parts LLC (2066); IEH Auto Parts Puerto Rico, Inc. (4539); and IEH BA LLC (1428). The Debtors' service address is: 112 Townpark Drive NW, Suite 300, Kennesaw, GA 30144.

2 Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan and Disclosure Statement or the Conditional Approval Order, as applicable.



noticing agent retained by the Debtors in these Chapter 11 Cases (the “Claims, Noticing and Solicitation Agent”).

<p><u>Ballots Returned By First Class Mail:</u></p>	<p>IEH Auto Parts Holding, LLC Ballot Processing c/o KCC 222 N Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p>
<p><u>Ballots Returned by Overnight Courier or Hand Delivery:</u></p>	<p>IEH Auto Parts Holding, LLC Ballot Processing c/o KCC 222 N Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p>
<p><u>Ballots Submitted Electronically By Online Submission:</u></p>	<p>Please visit the Debtors’ case website at: https://www.kccllc.net/autoplus. Click on the “Submit Electronic Ballot (eBallot)” section of the Debtors’ website and follow the directions to submit your Ballot. If you choose to submit your Ballot via KCC’s eBallot Portal, you should <u>not</u> also return a hard copy of your Ballot.</p> <p>IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic eBallot through KCC’s eBallot Portal:</p> <p>Unique eBallot ID: _____</p> <p>PIN: _____</p> <p>“eBalloting” is the sole manner in which this Ballot will be accepted via electronic or online transmission. Ballots submitted by facsimile or email will not be counted.</p>

C. Form, Content, and Manner of Notices

1. *The Solicitation Package.* The Solicitation Package shall contain the following:

- a. the Cover Letter;
- b. the Solicitation and Voting Procedures;
- c. a Ballot that includes an Opt-Out Form, together with detailed voting instructions with respect thereto and a pre-addressed, postage-prepaid return envelope;
- d. the Combined Hearing Notice, which shall provide instructions on how to obtain electronic copies of the Plan and Disclosure Statement and the Conditional Approval Order through the Debtors’ case website; and
- e. such other materials as the Court may direct.

2. *Distribution of the Solicitation Packages.*

The Solicitation Package, through the Combined Hearing Notice, shall provide instructions for (a) accessing the Plan and Disclosure Statement and the Conditional Approval Order in electronic format through the Debtors' case website (<https://www.kccllc.net/autoplus>); or (b) obtaining paper and email copies upon request. All other contents of the Solicitation Package, including the Ballot, Solicitation and Voting Procedures, and Combined Hearing Notice, will be provided in paper format. Any party that receives the materials in electronic format but would prefer paper format may contact the Claims, Noticing and Solicitation Agent by: (a) accessing the Debtors' case website at <https://www.kccllc.net/autoplus>; (b) writing to IEH Auto Parts Holding, LLC Ballot Processing c/o KCC, 222 N Pacific Coast Highway, Suite 300, El Segundo, CA 9024; (c) calling (888) 802-7207 (toll free) or (781) 575-2107 (international); or (d) emailing AutoPlusInfo@kccllc.com. Additionally, the Plan and Disclosure Statement and the Conditional Approval Order (including exhibits) are also available for a fee via PACER at <https://ecf.txsb.uscourts.gov/> (a PACER account is required).

Four (4) Business Days after entry of the Conditional Approval Order, or as soon as reasonably practicable thereafter (the "Solicitation and Noticing Deadline"), the Debtors shall mail, or cause to be mailed, the Solicitation Package to (a) all Holders of Claims in the Voting Class who are entitled to vote, as described in Section D below, and (b) any Holder who would otherwise be entitled to vote in accordance with Section D below. In addition, the Debtors shall serve, or cause to be served, by electronic mail the Combined Hearing Notice containing all of the materials in the Solicitation Package (excluding the Ballot and Cover Letter) in electronic format on the U.S. Trustee and all parties entitled to receive notice under Bankruptcy Rule 2002.

For purposes of serving the Solicitation Packages, Non-Voting Status Notices, and the Disputed Claims Notices, the Debtors may rely on the address information for the Voting Class, Non-Voting Classes, and unclassified Claims as compiled, updated, and maintained by the Claims, Noticing and Solicitation Agent as of the Voting Record Date. The Debtors and the Claims, Noticing and Solicitation Agent are not required to conduct any additional research for updated addresses based on undeliverable Solicitation Packages (including Ballots), Non-Voting Status Notices, or Disputed Claims Notices.

To avoid duplication and reduce expenses, the Debtors will use commercially reasonable efforts to ensure that any Holder of a Claim who has filed duplicative Claims that are classified under the Plan in the same Voting Class receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class as against that Debtor.

3. *Resolution of Disputed Claims for Voting Purposes; Resolution Event*

- (a) If a Claim in a Voting Class is subject to an objection that is filed with the Court on or prior to seven (7) days before the Voting Deadline: (i) the Debtors shall cause the applicable Holder to be served with the Disputed Claims Notice (which notice shall be served together with such objection); and (ii) the applicable Holder shall not be entitled to vote to accept or reject

the Plan on account of such Claim unless a Resolution Event (as defined herein) occurs as provided herein.

- (b) If a Claim in the Voting Class is subject to an objection that is filed with the Court less than seven (7) days prior to the Voting Deadline, the applicable Claim shall be deemed temporarily allowed for voting purposes only, without further action by the Holder of such Claim and without further order of the Court, unless the Court orders otherwise.
- (c) A “Resolution Event” means the occurrence of one or more of the following events no later than two (2) Business Days prior to the Voting Deadline:
 - (i) an order of the Court is entered allowing such Claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;
 - (ii) an order of the Court is entered temporarily allowing such Claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;
 - (iii) a stipulation or other agreement is executed between the Holder of such Claim and the Debtors resolving the objection and allowing such Claim, which allowance may be for voting purposes only, in an agreed-upon amount and such agreement (or notice of such agreement) is conveyed by the Debtors to the Claims, Noticing and Solicitation Agent by electronic mail or otherwise; or
 - (iv) the pending objection is voluntarily withdrawn by the objecting party.
- (d) No later than one (1) Business Day following the occurrence of a Resolution Event, the Debtors shall cause the Claims, Noticing and Solicitation Agent to distribute via email or overnight mail a Solicitation Package and a pre-addressed, postage pre-paid envelope to the relevant Holder to the extent such Holder has not already received a Solicitation Package.

4. *Non-Voting Status Notices for Unimpaired Classes and Classes Deemed to Reject the Plan*

Certain Holders of Claims that are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code, or who are not entitled to vote because they are Unimpaired or otherwise presumed to accept the Plan under section 1126(f) of the Bankruptcy Code, will receive only the *Non-Voting Status Notice to Holders of Unclassified Claims and Unimpaired Claims Conclusively Presumed to Accept the Plan*, substantially in the form attached as Exhibit 6A to the Conditional Approval Order. Certain Holders of Claims or Interests who are not entitled to vote because they are deemed to reject the Plan under section 1126(g) of the Bankruptcy Code will receive the *Notice of Non-Voting Status to Holders of Impaired Claims or Interests Conclusively Deemed to Reject the Plan*, substantially in the form attached as Exhibit 6B to the Conditional Approval Order. Such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots).

D. Voting and General Tabulation Procedures

1. Holders of Claims Entitled to Vote

Only the following Holders of Claims in the Voting Class shall be entitled to vote with regard to such Claims:

- (a) Holders of Claims who, on or before the Voting Record Date, have timely filed a Proof of Claim that (i) has not been expunged, disallowed, disqualified, withdrawn, or superseded prior to the Voting Record Date and (ii) is not the subject of a pending objection filed with the Court not later than **May 19, 2023** (seven (7) days prior to the Voting Deadline), with respect to which a Resolution Event has not occurred at least two (2) Business Days prior to the Voting Deadline;
- (b) Holders of Claims that are listed in the Schedules; *provided* that Claims that are scheduled as contingent, unliquidated, or disputed (excluding such scheduled disputed, contingent, or unliquidated Claims that have been paid or superseded by a timely filed Proof of Claim) shall be disallowed for voting purposes (unless the applicable Claims Bar Date has not yet expired, in which case such scheduled Claims would be allowed to vote in the amount of \$1.00);
- (c) Holders of Claims that arise (i) pursuant to an agreement or settlement with the Debtors, as reflected in a document filed with the Court, or (ii) in an order entered by the Court, in each case regardless of whether a Proof of Claim has been filed; and
- (d) the assignee of any Claim that was transferred on or before the Voting Record Date by any Entity described in subparagraphs (a) through (d) above; *provided* that such transfer or assignment has been fully effectuated pursuant to the procedures set forth in Bankruptcy Rule 3001(e) and such transfer is reflected on the Claims Register on the Voting Record Date.

Notwithstanding the foregoing, Holders of Claims that have been paid in full during these Chapter 11 Cases either through a critical vendor or cure payment (or as per the agreements of the parties) or that are authorized to be paid in full in the ordinary course of business pursuant to an agreement between the parties or order previously entered by the Court shall not be entitled to vote on the Plan on account of such Claims.

2. Establishing Claim Amounts for Voting Purposes

Class 2 General Unsecured Claims. Each Holder of a Claim in Class 2 (General Unsecured Claims) as of the Voting Record Date shall be entitled to vote the amount of its Claim in accordance with the procedures set forth below for filed and Scheduled Claims.

Filed and Scheduled Claims. The Claim amount established herein shall control for voting purposes only and shall not constitute the Allowed amount of any Claim. Moreover, any amounts filled in on Ballots by the Debtors through the Claims, Noticing and Solicitation Agent,

as applicable, are not binding for purposes of allowance and distribution. In tabulating votes, the following hierarchy shall be used to determine the amount of the Claim associated with each claimant's vote:

- (a) the Claim amount Allowed by order of the Court;
- (b) the Claim amount (i) settled or agreed upon by the Debtors, as reflected in a document filed with the Court, or (ii) set forth in an order of the Court;
- (c) the Claim amount Allowed (temporarily or otherwise) pursuant to a Resolution Event under these Solicitation and Voting Procedures;
- (d) the Claim amount contained in a Proof of Claim that has been timely filed by the applicable Claims Bar Date (or deemed timely filed by the Court under applicable law), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided* that to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount set forth in a document filed with the Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Court shall supersede the Claim amount set forth on the respective Proof of Claim for voting purposes;
- (e) if a Claim, for which a Proof of Claim has been timely filed, is filed for unknown or undetermined amounts, or is wholly unliquidated, or contingent (as determined on the face of the Claim or after a reasonable review of the supporting documentation by the Claims, Noticing and Solicitation Agent) and such Claim has not been allowed, such Claim shall be temporarily allowed for voting purposes only, and not for purposes of allowance or distribution, at \$1.00;
- (f) if a Claim, for which a Proof of Claim was timely filed, is filed as contingent, unliquidated, or disputed in part, such Claim is temporarily allowed in the amount that is liquidated, non-contingent, and undisputed for voting purposes only, and not for purposes of allowance or distribution;
- (g) the Claim amount listed in the Schedules (to the extent such Claim is not superseded by a timely filed Proof of Claim); *provided* that such Claim is not scheduled as contingent, disputed, or unliquidated and/or has not been paid; *provided further* that if the applicable Claims Bar Date has not expired prior to the Voting Record Date, a Claim listed in the Schedules as contingent, disputed, or unliquidated shall vote at \$1.00;
- (h) Proofs of Claim filed for \$0.00 are not entitled to vote;
- (i) notwithstanding anything to the contrary contained herein, any creditor who has filed or purchased duplicate Claims within the same Voting Class shall be provided with only one Solicitation Package and one Ballot for voting a

single Claim in such Class, regardless of whether the Debtors has objected to such duplicate Claims;

- (j) if a Proof of Claim has been amended by a later Proof of Claim that is filed on or prior to the Voting Record Date, the later filed amending Proof of Claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed Proof of Claim shall be disallowed for voting purposes, regardless of whether the Debtors has objected to such amended claim. Except as otherwise ordered by the Court, any amendments to Proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules; and
- (k) in the absence of any of the foregoing, such Claim shall be disallowed for voting purposes.

3. Voting and Ballot Tabulation Procedures

The following voting procedures and standard assumptions shall be used in tabulating Ballots, subject to the Debtors' right to waive any of the below specified requirements for completion and submission of Ballots so long as such requirement is not otherwise required by the Bankruptcy Code, Bankruptcy Rules, or Bankruptcy Local Rules:

- (a) except as otherwise provided in the Solicitation and Voting Procedures, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline (as the same may be extended by the Debtors), the Debtors, in its sole discretion, shall be entitled to reject such Ballot as invalid and, therefore, not count it in connection with Confirmation of the Plan;
- (b) the Debtors will file a voting report (the "Voting Report") with the Court by no later than one (1) Business Day before the Combined Hearing, or **Wednesday, May 31, 2023**. The Voting Report shall, among other things, delineate every Ballot that does not conform to the voting instructions or that contains any form of irregularity including, but not limited to, those Ballots that are late or (in whole or in material part) illegible, unidentifiable, lacking signatures, or lacking necessary information, received via facsimile, or damaged (in each case, an "Irregular Ballot"). The Voting Report shall indicate the Debtors' intention with regard to each Irregular Ballot;
- (c) the method of delivery of Ballots to be sent to the Claims, Noticing and Solicitation Agent is at the election and risk of each Holder. Except as otherwise provided, a Ballot will be deemed delivered only when the Claims, Noticing and Solicitation Agent actually receives the properly executed Ballot;
- (d) an executed Ballot is required to be submitted by the Entity submitting such Ballot. Delivery of a Ballot to the Claims, Noticing and Solicitation Agent by facsimile, electronic mail, or any electronic means other than the Claims, Noticing and Solicitation Agent's online portal will not be valid;

- (e) no Ballot should be sent to the Debtors, the Debtors' agents (other than the Claims, Noticing and Solicitation Agent), or the Debtors' legal or financial advisors and, if so sent, such Ballot will not be counted;
- (f) if multiple Ballots are received from the same Holder with respect to the same Claim prior to the Voting Deadline, the last properly executed Ballot timely received will be deemed to reflect that voter's intent and will supersede and revoke any prior received Ballot;
- (g) Holders must vote all of their Claims either to accept or reject the Plan and may not split any votes. A Ballot that partially rejects and partially accepts the Plan will not be counted. Further, to the extent there are multiple Claims within the same Class, the applicable Debtors may, in its discretion, aggregate the Claims of any particular Holder within a Class for the purpose of counting votes;
- (h) a person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity of a Holder of Claims must indicate such capacity when signing;
- (i) the Debtors, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Irregular Ballot at any time, either before or after the close of voting, and any such waivers will be documented in the Voting Report or a supplemental voting report, as applicable;
- (j) neither the Debtors, nor any other Entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots to any party other than as provided in the Voting Report, nor will any of them incur any liability for failure to provide such notification;
- (k) unless waived or as ordered by the Court, any defects or irregularities in connection with deliveries of Ballots must be cured by the Holder of Claims prior to the Voting Deadline or such Ballots will not be counted;
- (l) in the event a designation of lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim will be counted for purposes of determining whether the Plan has been accepted and/or rejected;
- (m) subject to any order of the Court, the Debtors reserve the right to reject any and all Ballots not in proper form, the acceptance of which, in the opinion of the Debtors, would not be in accordance with the provisions of the Bankruptcy Code or the Bankruptcy Rules; *provided* that any such rejections will be documented in the Voting Report and subject to final determination by the Court;

- (n) if a Claim has been estimated or a Claim has otherwise been Allowed only for voting purposes by order of the Court, such Claim shall be temporarily Allowed in the amount so estimated or Allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;
- (o) if an objection to a Claim is filed, such Claim shall be treated in accordance with the procedures set forth herein;
- (p) the following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim; (ii) any Ballot cast by any Entity that does not hold a Claim in a Voting Class; (iii) any Ballot cast for a Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed by the Voting Record Date (unless the applicable bar date has not yet passed, in which case such Claim shall be entitled to vote in the amount of \$1.00); (iv) any unsigned Ballot or Ballot lacking an original signature (for the avoidance of doubt, a Ballot cast via the online balloting portal will be deemed to contain an original signature); (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; and (vi) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described herein;
- (q) after the Voting Deadline, no Ballot may be withdrawn or modified without the prior written consent of the Debtors or an Order of the Court;
- (r) the Debtors are authorized to enter into stipulations with the Holder of any Claim agreeing to the amount of a Claim for voting purposes;
- (s) where any portion of a single Claim has been transferred to a transferee, all Holders of any portion of such single Claim will be (i) treated as a single creditor for purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code (and for the other voting and solicitation procedures set forth herein), and (ii) required to vote every portion of such Claim collectively to accept or reject the Plan. In the event that (i) a Ballot, (ii) a group of Ballots within a Voting Class received from a single creditor, or (iii) a group of Ballots received from the various Holders of multiple portions of a single Claim partially reject and partially accept the Plan, such Ballots shall not be counted; and
- (t) for purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate Claims held by a single creditor in a particular Class will be aggregated and treated as if such creditor held one Claim in such Class, and all votes related to such Claim will be treated as a single vote to accept or reject the Plan; *provided* that if separate affiliated entities hold Claims in a particular Class, these Claims will not be aggregated and will not be treated as if such creditor held one Claim in such Class, and the

vote of each affiliated entity will be counted separately as a vote to accept or reject the Plan.

E. Amendments to the Plan and Solicitation and Voting Procedures

The Debtors reserve the right to make non-substantive or immaterial changes to the Plan and Disclosure Statement (including, for the avoidance of doubt, the Plan Supplement), Ballot, Combined Hearing Notice, and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors, if any, and to make conforming changes among the Plan and Disclosure Statement and any other materials in the Solicitation Package before their distribution.