

ENTERED

April 29, 2025

Nathan Ochsner, Clerk

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

In re:

IEH AUTO PARTS HOLDING LLC, *et al.*,

Wind-Down Debtor.

Chapter 11

Case No. 23-90055 (CML) ¹

Jointly Administered

**STIPULATION AND AGREED ORDER BETWEEN THE WIND-DOWN DEBTOR,
GUC TRUSTEE, AND FIDELITY AND DEPOSIT COMPANY OF MARYLAND
RESOLVING CLAIM OBJECTIONS TO CLAIM NO. 595
(Resolves Claim Objections at Dkt Nos. 278 and 322)**

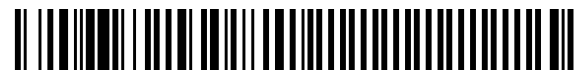
The above-captioned wind-down debtor (collectively, the “Debtor”), Michael D. Warner, as his capacity as trustee (the “GUC Trustee”) of the Auto Parts GUC Trust (the “GUC Trust”), and Fidelity and Deposit Company of Maryland (“F&D”, and collectively, the “Parties”), enter into this stipulation (the “Stipulation”) and consent to entry of the agreed order below (the “Order”), as follows:

BACKGROUND

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

2. 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]

¹ On January 16, 2024, the Court entered a *Final Decree Closing Certain of the Chapter 11 Cases* [Case No. 23-90054, Docket No. 1043] closing each Debtor’s chapter 11 case except the case of Auto Plus Auto Sales LLC. The Wind-Down Debtor’s service address is 5330 Caramel Crest Lane, Charlotte, NC 28226.



(the “Confirmation Order”) confirming the *Combined Plan and Disclosure Statement* (the “Plan”) [Docket No. 442] of the Debtors.²

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

4. On May 1, 2023, F&D filed Proof of Claim No. 595 (the “Claim”), \$2,636,439.50 of which was asserted as a secured via a letter of credit and \$363,560.50 of which was asserted as a general unsecured claim for a total contingent claim filed of \$3,000,000.00.

5. On February 28, 2025, the Debtor filed its *Ninth Omnibus Objection to Certain Proofs of Claim (Untimely Claim, No Liability Claims, Satisfied Claim, Duplicate Claim, Satisfied Tax Claims, Partially Satisfied Claims* [Docket No. 278] (“Ninth Omnibus Objection”) seeking the reduction and allowance of the Claim.

6. On March 31, 2025, the GUC Trustee filed his *Thirteenth Omnibus Objection to Claims (Reduced Claims)* [Docket No. 322] (“Thirteenth Omnibus Objection”) seeking the reduction of the general unsecured portion of the Claim to \$0.00.

7. On April 1, 2025, F&D filed its *Response of Fidelity and Deposit Company of Maryland to Objection to Claim No. 565 Filed by Wind-Down Debtor* and the GUC Trustee filed his *Omnibus Response and Reservation of Rights to Wind-Down Debtor’s Objection to Non-GUC Claims* [Docket No. 323] on March 31, 2025. The GUC Trustee extended the deadline for F&D to respond to the Thirteenth Omnibus Objection to May 7, 2025.

8. Upon a reconciliation of the Claim, and arms’ length, good faith negotiations, the Debtor, F&D, and the GUC Trustee have agreed to fully and finally compromise and settle the

² Capitalized terms not defined herein shall have the meanings provided in the Plan unless otherwise noted.

Claim to avoid further litigation and intend for this Stipulation to dispose of the entirety of the Claim, with the Claim being reduced to a \$45,000.00 secured claim.

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. F&D has an allowed secured claim in the amount of \$45,000.00 (the “Allowed Claim”). For the avoidance of doubt, all general unsecured claims, if any, asserted by F&D (including without limitation the general unsecured portion of Claim No. 595) are hereby disallowed and shall be expunged from the Claims Register.
3. The Claims and Noticing Agent is authorized and directed to update the Claims Register to reflect the changes to the Claim set forth herein.
4. The Debtor shall pay the full amount of the Allowed Claim to F&D as soon as practicable within fourteen (14) 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 Allowed Claim.
5. The terms and conditions of the Stipulation and this Order shall be immediately effective and enforceable upon entry of this Order. This Stipulation resolves the objections to Claim No. 595 stated in the Ninth Omnibus Objection and the Thirteenth Omnibus Objection.
6. 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). The treatment afforded to F&D in the *Order Confirming the Third Amended Combined Disclosure Statement and Joint Plan of Liquidation of IEH Auto Parts Holdings, LLC and its Debtor Affiliates Pursuant to*

Chapter 11 of the Bankruptcy Code [ECF No. 749 in Case No 23-90054] remains in full force and effect.

7. This Stipulation and Order constitutes the entire agreement between the Parties with respect to the 503(b)(9) Claim and supersedes all prior discussions, agreements, and understandings, both written and oral, among the Parties with respect thereto.

8. 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 29, 2025



Christopher Lopez
United States Bankruptcy Judge

AGREED TO ON APRIL 28, 2025 BY:

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