

ENTERED

February 10, 2023

Nathan Ochsner, Clerk

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

In re:) Chapter 11
)
IEH AUTO PARTS HOLDING LLC, <i>et al.</i> , ¹) Case No. 23-90054 (CML)
)
Debtors.) (Jointly Administered)
)
) Re: Docket No. 16

CORRECTED INTERIM ORDER (I) AUTHORIZING POST-PETITION FINANCING SECURED BY SENIOR LIENS, (II) AUTHORIZING THE DEBTORS TO USE CASH COLLATERAL; (III) GRANTING ADEQUATE PROTECTION, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) moved this Court on an emergency basis for entry of an interim order (this “Interim Order”), (a) authorizing the Debtors to incur priming senior secured post-petition financing on a superpriority basis; (b) authorizing the Debtors to use cash collateral; (c) granting adequate protection, and (d) scheduling a final hearing to consider approval of the Motion on a final basis (the “Motion”).² The Court set a hearing on the Motion for February 1, 2023 at 4:00 p.m., at which counsel for the parties appeared and presented evidence and oral argument. The Motion was presented to the Court as a “first day” motion and complies with the requirements of Bankruptcy Rule 4001(d). Notice of the Motion and the interim hearing is proper and sufficient under the

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 have the meanings ascribed to them in the DIP Term Sheet attached hereto as **Exhibit 1**.



exigent circumstances of the Motion and the relief granted in this Interim Order has been granted in accordance with Bankruptcy Code §§ 102(1), 105, 361, 362, 363, 364, 503, and 507, Bankruptcy Rules 2002, 4001, 6004, and 9014, and Local Rules 2002-1, 4001-1(b), 4002-1(i), and 9013-1. After careful consideration of all matters before it, the Court is of the opinion that the estate would suffer irreparable injury if the Motion is not granted.

Therefore, the Court makes the following findings of fact and conclusions of law:

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §1334. This matter constitutes a core proceeding within the meaning of 28 U.S.C. § 157(b). The Court has the authority to enter a final order in this matter. Venue is proper in this jurisdiction pursuant to 28 U.S.C. §§ 1408 and 1409.

B. The Debtors are unable to obtain financing on more favorable terms than the DIP Facility and are unable to obtain unsecured credit allowable under section 503(b)(1) as an administrative expense or secured credit solely under section 364(c) of the Bankruptcy Code.

C. The terms and conditions of the DIP Facility and the use of Cash Collateral, if any, are fair and reasonable, are the best available to the Debtors under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration, have been negotiated in good faith and at arm's length between the Debtors and the DIP Lender, and in express reliance upon the protections offered by Bankruptcy Code section 364(e).

Therefore, it is ORDERED that

1. The final hearing (the "Final Hearing") on the Motion shall be held on February 27, 2023, at 10:00 am., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on February 22, 2023.

In the event no objections to entry of a final order on the Motion are timely received, the Court may enter such final order without need for the final hearing.

2. The Debtors are hereby authorized to enter into and perform under the DIP Facility with the DIP Lender on the terms reflected in the DIP Term Sheet attached hereto as **Exhibit 1**, which is hereby approved and incorporated herein in its entirety, and to perform all obligations under the DIP Term Sheet, which upon being entered into shall constitute valid, binding, and non-avoidable obligations of the Debtors that are enforceable against the Debtors in accordance with the terms of the DIP Term Sheet and this Interim Order.

3. In furtherance of the foregoing and without further order of this Court, the Debtors are authorized and directed to (a) perform all acts to negotiate, make, enter into, and perform under the DIP Documents and (b) perform all acts to make, execute and deliver all instruments and documents, including, without limitation, the execution and delivery of, and performance under, one or more amendments, waivers, consents or other modifications to and under the DIP Term Sheet and DIP Documents (collectively, the "Ancillary Documents"), in each of (a) and (b), in such form as the Debtors and the DIP Lender may agree, *provided* that such DIP Term Sheet, DIP Documents, and Ancillary Documents are consistent in all material respects with the DIP Term Sheet, and *provided further* that no further approval of the Court shall be required for the Debtors to pay any fees and other expenses (including any attorneys', accountants', appraisers' and financial advisors' fees), amounts, charges, costs, indemnities and other obligations paid in connection therewith that do not shorten the maturity of the extensions of credit under the DIP Term Sheet or DIP Documents or increase the aggregate commitments or the rate of interest payable thereunder.

4. The Debtors may draw \$35 million (the “Interim Advance”) of the up to \$75 million in New Money Loans extended by the DIP Lender, on an interim basis, as set forth in the DIP Term Sheet.

5. The Debtors are authorized to use the proceeds of Interim Advance and Cash Collateral solely for the purposes set forth on the Approved Budget attached hereto as Exhibit 2, subject to the Permitted Variances.

6. Immediately upon entry of this Interim Order, pursuant to Bankruptcy Code section 364(c)(1), the DIP Lender is granted an allowed superpriority administrative expense claim against the Debtors for all DIP Obligations (the “DIP Superpriority Claims”) (without the need to file any proofs of claim or request for payment of administrative expenses), subject only to the payment of quarterly US Trustee Fees and the Carve Out. The DIP Superpriority Claims may be repaid from any cash of the Debtors, including without limitation, Cash Collateral and, following entry of the Final Order, Avoidance Action Proceeds. Immediately upon entry of this Interim Order, pursuant to Bankruptcy Code sections 364(c)(2), 364(c)(3), and 364(d)(1), the DIP Liens are granted on all DIP Collateral as continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected security interests in and liens on such DIP Collateral. This Interim Order shall be sufficient and conclusive evidence of the creation, validity, and perfection of all liens granted herein. The DIP Superpriority Claims and DIP Liens are hereby entitled to the treatment described in the section of the DIP Term Sheet titled “Priority and Security.” Except as set forth in, or permitted by, this Interim Order, or with the consent of the DIP Lender, no other superpriority administrative expense claims or liens *pari passu* or senior to the DIP Superpriority Claims or DIP Liens shall be granted or allowed in these Chapter 11 cases. The DIP Superpriority Claims and DIP Liens shall be entitled to the full protection of section 364(e) of the Bankruptcy Code in the

event that this Interim Order or any provision hereof is vacated, reversed, or modified on appeal or otherwise.

7. Notwithstanding and without minimizing the force of the foregoing paragraph, the Debtors are authorized to enter into, and cause the financial institutions servicing the Debtors' deposit accounts to enter into, such deposit account control agreements and other collateral agreements with the DIP Lender and such financial institutions as the DIP Lender may reasonably require, or alternatively, the DIP Lender shall be entitled to enjoy the benefit of all control agreements to which the Debtors are a party, as set forth above, without the need to enter into any such new agreements.

8. As adequate protection for any diminution in value of the interests of the Prepetition lender in the Prepetition Collateral, the Prepetition Lender is granted the Adequate Protection described in the section of the DIP Term Sheet titled "Adequate Protection" (including the liens described in the DIP Term Sheet) as set forth therein.

9. The Stipulations described in the section of the DIP Term Sheet titled "Acknowledgement/Stipulations" shall immediately be binding on the Debtors and their successors in interest (including any trustee appointed in the Chapter 11 Case or any subsequent chapter 7 case). Each Stipulation shall be binding on all parties-in-interest for all purposes unless (i) such Stipulation is challenged by a party with requisite standing filing an adversary complaint or motion (as applicable) in accordance with the procedures described, and within the time specified by, the section of the DIP Term Sheet titled "Challenge Period" (a "Challenge") and (ii) such Challenge is successful.

10. Notwithstanding anything to the contrary in any other order of this Court, the financial institutions where the Debtors' bank accounts are located (a) are authorized to accept and

honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored, consistent with any order of this Court and governing law, and (b) have no duty to independently inquire as to whether such payments are authorized by an order of this Court.

11. The financial institution where the Debtors' bank accounts are located shall implement reasonable handling procedures in coordination with the Debtors designed to effectuate the terms of this Interim Order. No financial institution that implements such handling procedures and then honors a pre-petition check or other item drawn on any Bank Account that is the subject of this Interim Order either (i) in good faith belief that the Court has authorized such pre-petition check or item to be honored or (ii) as a result of an innocent mistake made despite implementation of such handling procedures, shall be deemed to be liable to the Debtors or their estates otherwise in violation of this Interim Order.

12. Nothing in this Final Order or otherwise shall be construed to obligate the DIP Lender in any way, to pay compensation to, or to reimburse expenses of, any professionals or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement.

13. The provisions of this Interim Order and any actions taken pursuant hereto shall survive the entry of any order confirming a plan, converting the Chapter 11 Cases, or dismissing the Chapter 11 Cases or any successor case, and the terms and provisions of this Interim Order shall continue in full force notwithstanding any such order.

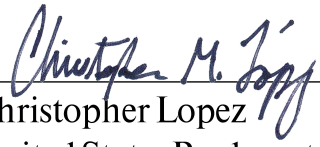
14. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 7062 or 9024, any other Bankruptcy Rule or Rule 62(a) of the Federal Rules of Civil Procedure, this Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Interim Order.

15. Upon the occurrence and during the continuance of any Event of Default, and without further application to the Bankruptcy Court, the automatic stay provisions of Section 362 of the Bankruptcy Code shall be vacated and modified to the extent necessary to permit the DIP Lender to take any of the following actions, at the same or different times: (a) issue a written notice (the “Remedies Notice”) (which may be by email) to the Debtors and their counsel, counsel for any Committee, and the U.S. Trustee (the “Remedies Notice Parties”) declaring the occurrence of the Termination Date (as defined below); (b) issue a Carve-Out Notice (as defined below), (c) declare all DIP Obligations to be immediately due and payable without presentment, demand or protest or other notice of any kind, all of which are expressly waived by the Debtors; (d) declare the suspension or termination of the DIP Facility as to any further liability or obligation of the DIP Lender thereunder, but without affecting the DIP Liens or DIP Obligations (the “Termination Notice”); and (e) charge the default rate of interest under the DIP Facility. Prior to terminating the rights of the Debtors to use Cash Collateral or exercising any remedies against the DIP Collateral other than those specified in (a) – (e) above, the DIP Lender shall be required to file a motion with the Court using a CM/ECF emergency code seeking emergency relief from the automatic stay (the “Stay Relief Motion”) on at least three (3) business days’ written notice to the Remedies Notice Parties of the DIP Lender’s intent to exercise its rights and remedies (the “DIP Remedies Notice Period”). In the event the Bankruptcy Court determines during a hearing on the Stay Relief Motion that an Event of Default has occurred, the Bankruptcy Court may fashion an appropriate remedy, which may include the exercise of any and all rights available to the DIP Lender under the DIP Term Sheet, the DIP Credit Agreement, this Interim Order, and/or the Final Order, as applicable.

16. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

17. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

Signed: February 10, 2023



Christopher Lopez
United States Bankruptcy Judge

Exhibit 1

Dip Term Sheet

**SUMMARY OF PROPOSED TERMS AND CONDITIONS
FOR DIP FINANCING AND USE OF CASH COLLATERAL**

IEH Auto Parts Holding LLC et al.,
as Debtors and Debtors-in-Possession
January 31, 2023

This term sheet, dated January 31, 2023 (“DIP Term Sheet”), is a summary of the terms pursuant to which, subject to certain conditions set forth herein, the DIP Lender (as defined below) agrees to provide debtor in possession financing to IEH Auto Parts Holding LLC, which, together with each of its direct and indirect subsidiaries, will have filed chapter 11 cases in the Bankruptcy Court (as defined below) (collectively, the “Debtors”). The consummation of such financing is subject to authorization and approval by the Bankruptcy Court and the terms and conditions set forth in this DIP Term Sheet, upon execution by the parties.

<u>DIP Borrower:</u>	IEH AUTO PARTS HOLDING LLC, as debtor and debtor in possession (the “ <u>DIP Borrower</u> ”) under Chapter 11 of the United States Bankruptcy Code (the “ <u>Bankruptcy Code</u> ”) in the jointly administered cases of the DIP Borrower and certain of its subsidiaries (collectively, the “ <u>Cases</u> ” of the “ <u>Debtors</u> ”) in the United States Bankruptcy Court for the Southern District of Texas (the “ <u>Bankruptcy Court</u> ”), commenced on the date the Debtors file their Chapter 11 petitions (the “ <u>Petition Date</u> ”).
<u>DIP Guarantors:</u>	All obligations under the DIP Facility (as defined below), this DIP Term Sheet, and the DIP Documents (as defined below) will be unconditionally guaranteed by the following direct and indirect subsidiaries of the DIP Borrower: IEH AUTO PARTS PUERTO RICO, INC., IEH BA LLC, IEH AIM LLC, IEH AUTO PARTS LLC, AP ACQUISITION COMPANY CLARK LLC, AP ACQUISITION COMPANY NEW YORK LLC, AP ACQUISITION COMPANY MASSACHUSETTS LLC, AP ACQUISITION COMPANY WASHINGTON LLC, AP ACQUISITION COMPANY MISSOURI LLC, AP ACQUISITION COMPANY GORDON LLC, AUTO PLUS AUTO SALES LLC and AP ACQUISITION COMPANY NORTH CAROLINA LLC (such parties, the “ <u>DIP Guarantors</u> ”).
<u>Prepetition Lender:</u>	American Entertainment Properties Corp. (“ <u>AEP</u> ”) in its capacity as Lender (in such capacity, the “ <u>Prepetition Lender</u> ”) under that certain Credit and Guaranty Agreement, dated as of August 13, 2021 (as amended, restated, amended

	<p>and restated, supplemented or otherwise modified (including by Amendment No. 5 thereto dated January 30, 2023), the “<u>Prepetition Credit Agreement</u>”), providing for the previously extended Loans (as defined in the Prepetition Credit Agreement) and other extensions of credit thereunder (the “<u>Prepetition Debt</u>”), and related prepetition collateral and loan documents related thereto (collectively, the “<u>Prepetition Loan Documents</u>” and all Obligations (as defined in the Prepetition Credit Agreement) thereunder, the “<u>Prepetition Loans</u>”), each as assigned to AEP by Icahn Enterprises Holdings, L.P. (the “<u>Prior Prepetition Lender</u>”) pursuant to that certain Assignment and Assumption dated as of January 30, 2023.</p> <p>Prepetition Lender to be permitted to freely assign the Prepetition Loans to any of its affiliates, without consent or restrictions.</p>
<p><u>DIP Lender:</u></p>	<p>AEP, in its capacity as Lender under the DIP Facility (defined below) (the “<u>DIP Lender</u>”).</p> <p>DIP Lender to be permitted to freely assign to any of its affiliates the DIP Facility Loans (including after the Final Order (defined below), the Roll-Up Loans), without consent or restrictions.</p>
<p><u>DIP Facility:</u></p>	<p>The DIP Lender will provide to the DIP Borrower a priming, senior secured, superpriority debtor-in-possession credit facility (the “<u>DIP Facility</u>”) consisting of (i) a multiple-draw delayed draw term loan facility in the aggregate maximum principal amount of up to \$75 million (the “<u>DIP Facility Commitment</u>”) and the portion thereof drawn by the Debtors, the “<u>New Money Loans</u>”) and (ii) upon entry of the Final Order, a (x) conversion of all of the Prepetition Loans to loans under the DIP Facility (the “<u>Roll-Up Loans</u>”) and (y) letter of credit facility pursuant to which all LC Exposure (under and as defined in the Prepetition Credit Agreement) outstanding on such date will be converted to LC Exposure (to be defined in the DIP Documents) under the DIP Facility (the “<u>DIP LC Facility</u>”) and, any funding obligations of the DIP Lender thereunder, together with the Roll-Up Loans and together with the loans made upon the funding of the DIP Facility Commitment, the “<u>DIP Facility Loans</u>”). Upon the conversion of the Roll-Up Loans and the LC Exposure (under and as defined in the Prepetition Credit Agreement) in connection herewith upon entry of the Final Order, the Prepetition Loans and LC Exposure (under and as defined in the Prepetition Credit Agreement) shall cease to be indebtedness under the Prepetition Credit Agreement and shall be deemed DIP Obligations (as defined below) and DIP Facility Loans in all respects, including for purposes of having the benefit of</p>

	<p>Section 364(e) of the Bankruptcy Code.</p> <p>The DIP Facility will be made available to the DIP Borrower through an initial maximum aggregate amount of up to \$35 million (the “<u>Interim Advance</u>”) following the entry of the Interim Order (defined below). The balance of the DIP facility will be available only upon and after entry of the Final Order, with draws no more frequently than bi-weekly absent exigent circumstances demonstrated by the Borrower. Pending the entry of the Final Order, the DIP Lender shall be afforded all of the protections contained in the Interim Order.</p>
<p><u>Use of DIP Proceeds and Cash Collateral:</u></p>	<p>The DIP Facility Loans and Cash Collateral (as defined below) may be used only for:</p> <ul style="list-style-type: none"> i. post-petition working capital and maintenance capital expenditure purposes of the Debtors; ii. current interest, fees, and expenses under the DIP Facility; iii. payment of adequate protection expenses for the Prepetition Lender; iv. the allowed administrative costs and expenses of the Cases, including professional fees and expenses; v. payment of prepetition claims authorized by the Bankruptcy Court; vi. any forecasted cash outlays included in any Approved Budget; or vii. as otherwise agreed; <p>in each case, solely in accordance with the Approved Budget and the applicable Financing Order (each as defined below) incorporating the terms hereof.</p> <p>All cash and cash equivalents of the Debtors, whenever or wherever acquired, and the proceeds of all collateral pledged to the DIP Lender, constitute cash collateral, as contemplated by section 363 of the Bankruptcy Code (“<u>Cash Collateral</u>”).</p>
<p><u>DIP Facility Interest Rate and Fees:</u></p>	<p>The New Money Loans shall accrue interest at 8.00%, with a default interest rate of an additional 2.00%, each of which shall be payable monthly in kind and added to the principal balance of the DIP Facility.</p> <p>The Roll-Up Loans shall accrue interest at 3.50%, which shall be payable monthly in kind and added to the principal balance</p>

	<p>of the DIP Facility; <u>provided that</u> the DIP Lender reserves its rights to assert default interest of an additional 2.00% in connection with the confirmation of a plan of liquidation or reorganization for the Debtors.</p> <p>The DIP Facility shall provide for a closing fee of 1.5% percent of the DIP Facility Commitment, which shall be added to the principal balance of the DIP Facility on the Closing Date.</p>
<p><u>Priority and Security:</u></p>	<p>Subject to the Carve-Out (as defined below), all obligations of the DIP Borrower under the DIP Facility (the “<u>DIP Obligations</u>”) shall be:</p> <ul style="list-style-type: none"> i. entitled to superpriority claim status under section 364(c)(1) of the Bankruptcy Code with priority over all administrative expense claims and unsecured claims existing as of the Petition Date or arising thereafter under the Bankruptcy Code, including, without limitation, the prepetition claims and adequate protection claims of the Prepetition Lender, subject only to the Carve-Out (the “<u>DIP Superpriority Claims</u>”). The DIP Superpriority Claims may be repaid from any cash of the Debtors, including without limitation, Cash Collateral and, following entry of the Final Order, the proceeds of Avoidance Actions (as defined below) and property received or recovered thereby (the “<u>Avoidance Action Proceeds</u>”); ii. secured, pursuant to section 364(c)(2) of the Bankruptcy Code, by valid, enforceable, first priority, fully perfected security interests in and liens on all of the Debtors’ rights in property of the Debtors’ estates as of the Petition Date that, as of the Petition Date, were unencumbered (and do not become perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) (including, following entry of the Final Order, Avoidance Action Proceeds) (such liens, subject only to the Carve-Out); iii. secured, pursuant to section 364(c)(3) of the Bankruptcy Code, by valid, enforceable, fully perfected security interests in and liens on all of the Debtors’ rights in property of the Debtors’ estates as of the Petition Date that, as of the Petition Date, were subject to valid, perfected and non-avoidable liens and unavoidable liens in existence immediately prior to the Petition Date, if any, that are perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code (the

	<p>“Permitted Prior Liens”),¹ which security interests and liens shall be junior and subordinate only to such Permitted Prior Liens and the Carve-Out;</p> <p>iv. secured, pursuant to section 364(d)(1) of the Bankruptcy Code, by valid, enforceable, priming first priority, fully perfected security interests in and liens upon all of the Debtors’ rights in property of the Debtors’ estates as of the Petition Date, and all of the Debtors’ rights in property acquired post-petition (and proceeds thereof), whether now existing or hereafter acquired or arising, that secure the Prepetition Debt (such lien, together with the liens described in clauses (i) through (iii) above, the “DIP Liens” and the collateral described in clauses (i)–(iv) above, collectively, the “DIP Collateral”), which liens shall be subject to the Carve-Out.</p> <p>The DIP Collateral shall also include any and all rents, issues, products, offspring, proceeds and profits generated by any item of DIP Collateral.</p> <p>Subject to the entry of the Final Order, liens on proceeds of any of the estate’s causes of action under Chapter 5 of the Bankruptcy Code (“Avoidance Actions”).</p> <p>The DIP Liens shall not be subject or subordinate to (i) any lien or security interest that is avoided and preserved for the benefit of any Debtor and their estates under section 551 of the Bankruptcy Code, (ii) any liens arising after the Petition Date including, without limitation, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of any Debtor, or (iii) any intercompany or affiliate liens of any Debtor.</p> <p>The DIP Collateral will be free and clear of other liens, claims and encumbrances, except valid, perfected, enforceable and unavoidable liens, rights of recoupment enforceable in bankruptcy, and rights of setoff permissible under section 553 of the Bankruptcy Code, in each case except as otherwise agreed by the applicable creditor or lienholder, as applicable, in existence as of the Petition Date and permitted pursuant to the Prepetition Loan Documents, if any, and any other Permitted Prior Liens.</p> <p>The DIP Liens will automatically attach to the DIP Collateral and become valid and perfected immediately upon entry of the Interim Order without the requirement of any further action by the DIP Lender; <u>provided that</u> if the DIP Lender determines to</p>
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¹ The DIP Loan Documents shall include a schedule of Permitted Prior Liens.

	<p>file any financing statements, notice of liens or similar instruments, the Debtors will cooperate and assist in any such filings and the automatic stay shall be modified to allow such filing.</p>
<p><u>Adequate Protection:</u></p>	<p>Subject in all cases to the Carve-Out (as defined below), the Prepetition Lender shall receive adequate protection for the Debtors’ use of the collateral securing the Prepetition Loans, including, but not limited to:</p> <ul style="list-style-type: none"> i. payment of all interest accruing under the Prepetition Loan Documents at the Applicable Rate (as defined in the Prepetition Loan Documents) as and when due pursuant to the Prepetition Loan Documents, to be paid in kind; <u>provided that</u> the Prepetition Lender reserves its rights to assert default interest pursuant to the Prepetition Loan Documents in connection with the confirmation of a plan of liquidation or reorganization for the Debtors; ii. replacement liens and security interests in DIP Collateral and superpriority administrative expense claims under sections 503 and 507 of the Bankruptcy Code, in each case (and as applicable) junior only to the DIP Liens, Permitted Prior Liens, DIP Obligations, and the Carve-Out (as defined below), to the extent of any diminution in the value of the Prepetition Lender’s interest in any Cash Collateral or other Prepetition Collateral (defined below) arising as a result of (A) the use, sale, or lease of Cash Collateral or other collateral, (B) the granting of priming liens to secure the DIP Facility or (C) the imposition of the automatic stay; iii. reimbursement by the Debtors of the reasonable and documented fees, costs, and out-of-pocket expenses incurred or accrued by the Prepetition Lender (to include all unpaid prepetition reasonable and documented fees, costs, and out-of-pocket expenses) in connection with any and all aspects of the Debtors’ Cases; and iv. delivery of reporting and information as provided for herein. <p>The foregoing adequate protection liens will automatically attach to the DIP Collateral and become valid and perfected immediately upon entry of the Interim Order without the requirement of any further action by the Prepetition Lender; <u>provided</u>, that if the Prepetition Lender determines to file any financing statements, notice of liens or similar instruments,</p>

	<p>the Debtors will cooperate and assist in any such filings and the automatic stay shall be modified to allow such filing.</p> <p>Subject to the entry of the Final Order, liens on the proceeds of any Avoidance Actions.</p>
<p><u>Closing Date:</u></p>	<p>The first business date on which the DIP Conditions Precedent below shall have been satisfied and the making of the Interim Advance shall have occurred (the “<u>Closing Date</u>”), which is expected to be within one (1) business day of entry of the Interim Order.</p>
<p><u>DIP Conditions Precedent:</u></p>	<p>The closing of the DIP Facility and the Debtors’ right to use Cash Collateral will be subject to the satisfaction of all conditions precedent to be set forth in this DIP Term Sheet deemed necessary or appropriate by the DIP Lender, including but not limited to:</p> <ul style="list-style-type: none"> i. no later than 2 days prior to the Petition Date, the DIP Lender shall have received a cash forecast for the period from the Petition Date through the Scheduled Maturity Date (as defined below) setting forth projected cash flows and disbursements similar in form to the initial DIP budget provided to AEP on January 12, 2023 and acceptable to the DIP Lender (the “<u>Initial Approved Budget</u>”); ii. the Debtors shall have provided the DIP Lender with a copy of the “first day” motions, including the cash management motion, and proposed orders to be filed with the Bankruptcy Court in connection with the commencement of the Cases; iii. orders approving all “first day” motions other than the Interim Order (as defined below) shall have been entered (including without limitation the cash management order), and shall be in form and substance reasonably acceptable to the DIP Lender; iv. other than as set forth herein, the Debtors shall not have executed, entered into or otherwise committed to any plan or restructuring support agreement or any other agreement or understanding concerning the terms of a chapter 11 plan or other exit strategy without the consent of the DIP Lender; v. an interim debtor-in-possession financing order, substantially on the terms contemplated in this DIP Term Sheet (and otherwise acceptable to the DIP Lender in its sole discretion) (the “<u>Interim Order</u>”), shall have been entered by the Bankruptcy Court

	<p>within five (5) days following the Petition Date and shall not have been vacated, reversed or stayed, appealed, or modified or amended without the prior written consent of the DIP Lender. Notwithstanding anything to the contrary contained herein, funding of the Interim Advance shall be subject to entry of the Interim Order, and funding of the balance of the DIP Facility Commitments and continued authority to use Cash Collateral shall be subject to entry, within thirty-five (35) days following the Petition Date, of a final debtor-in-possession financing/use of cash collateral order, substantially on the terms contemplated by this DIP Term Sheet and in form and substance acceptable to the DIP Lender (the “<u>Final Order</u>” and, together with the Interim Order, collectively, the “<u>Financing Orders</u>”), which shall not have been vacated, reversed or stayed, appealed (and for which the appeal period has expired or has been waived), or modified or amended without the prior written consent of the DIP Lender;</p> <ul style="list-style-type: none"> vi. reimbursement in full in cash of the DIP Lender’s and Prepetition Lender’s reasonable and documented out-of-pocket costs and expenses; and vii. such other deliverables as the DIP Lender may reasonably require. <p>Modification of the Financing Orders shall require the consent of the DIP Lender in its sole discretion.</p>
<p><u>Conditions Precedent to All Credit Extensions:</u></p>	<p>The obligations of the DIP Lender to make any DIP Facility Loan will be subject to conditions precedent customarily found in loan documents for similar debtor-in-possession financings, including, but not limited to:</p> <ul style="list-style-type: none"> i. (a) with regard to the Interim Advance, the Interim Order shall have been entered in a form acceptable to the DIP Lender in its sole and exclusive discretion and shall be in full force and effect, shall not have been vacated or reversed, and shall not be subject to any stay and (b) with regard to the balance of the DIP Facility Loans, the Final Order shall have been entered in a form acceptable to the DIP Lender in its sole and exclusive discretion and shall be in full force and effect, shall not have been vacated or reversed, and shall not be subject to any stay; ii. With regard to all DIP Facility Loans other than the Interim Advance, a definitive credit agreement (the “<u>DIP Credit Agreement</u>”) and related security

	<p>agreement(s) and guarantees, security documents, and other agreements, instruments and documents required by the DIP Lender (collectively, and together with the DIP Credit Agreement, the “<u>DIP Documents</u>”) shall have been executed and delivered by the Debtors to the DIP Lender, in form and substance acceptable to the DIP Lender in its sole and exclusive discretion;</p> <p>iii. the DIP Borrower shall be in compliance with the terms of the Interim Order or the Final Order, as applicable;</p> <p>iv. with regard to any credit extension after the Closing Date, all “second day orders” approving on a final basis any first day orders intended to be entered on or prior to the date of entry of the Final Order shall have been entered by the Bankruptcy Court, shall be acceptable to the DIP Lender, in its sole and exclusive discretion, shall be in full force and effect, shall not have been vacated or reversed, shall not be subject to a stay and shall not have been modified or amended other than as acceptable to the DIP Lender in its sole and exclusive discretion;</p> <p>v. the Approved Budget shall demonstrate a need for the funds to be advanced under such credit extension within the next two weeks, there shall be at least 2 weeks between each drawing, and the DIP Borrower shall have delivered at 3 business days prior to the applicable draw date (or such shorter period as the DIP Lender may agree in its sole discretion) a borrowing notice showing the proposed use of such funds within the next two weeks in accordance with an Approved Budget that was approved within the last week;</p> <p>vi. the Debtor shall have provided a certificate confirming that all of the representations and warranties of the Debtors in this DIP Term Sheet or the DIP Documents, as applicable, remain true and correct, unless otherwise agreed by the DIP Lender; and</p> <p>vii. there shall be no defaults or Events of Default under the in this DIP Term Sheet or the DIP Documents, as applicable, or any defaults or Events of Default shall have been waived by the DIP Lender.</p>
<p><u>Milestones:</u></p>	<p>Subject to Bankruptcy Court availability, each of the Debtors will agree to comply with the following deadlines (each of</p>

	<p>which may be extended or waived with the prior written consent of the DIP Lender, which may be by e-mail, without further order of the Bankruptcy Court) (collectively, the “<u>Milestones</u>”):</p> <ol style="list-style-type: none"> i. The Bankruptcy Court shall have entered the Interim Order by the date that is no later than five days after the Petition Date. ii. The Bankruptcy Court shall have entered the Final Order by the date that is no later than 35 days after the Petition Date. iii. The Debtors shall file, by the date that is no later than 10 days after the Petition Date, a motion to sell all or substantially all of the Debtors’ assets through a sale pursuant to section 363 of the Bankruptcy Code in form and substance reasonably acceptable to the DIP Lender (the “<u>Sale Motion</u>”). iv. The Bankruptcy Court shall have entered an order approving the bidding procedures of the sale contemplated by the Sale Motion (the “<u>Sale</u>”) by the date that is no later than 45 days after the Petition Date. v. The Bankruptcy Court shall have entered an order approving the Sale by the date that is no later than 110 days after the Petition Date. vi. The Sale shall be consummated by the date that is no later than 120 days after the Petition Date. vii. A liquidating chapter 11 plan shall be consummated by the date that is no later than 90 days after consummation of the Sale. <p>The extension of any Milestone is subject to the consent of the DIP Lender at its sole discretion.</p>
<p><u>Representations and Warranties:</u></p>	<p>Upon the funding of the Interim Advance, the Debtors shall be deemed to have made the representations and warranties set forth in Article III (other than Section 3.13) of the Prepetition Credit Agreement, as applied to this DIP Term Sheet and the DIP Facility <i>mutatis mutandis</i> (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date therein shall be required to be true and correct in all material respects as of the date of the Interim Advance) and the representations and warranties set forth below:</p>

	<ul style="list-style-type: none"> i. The orders of the Bankruptcy Court related to the financing contemplated by the DIP Facility remain in full force and effect and have not been vacated, stayed, reversed, modified or amended without the prior written consent of the Lender; and ii. the Debtors have not failed to disclose any material assumptions with respect to the Initial Approved Budget and affirm the reasonableness of the assumptions in the Initial Approved Budget in all material respects.
<p><u>Prepayments:</u></p>	<p>The DIP Borrower may voluntarily, at any time, prepay any of the DIP Obligations and/or reduce the commitments under the DIP Facility at par plus accrued interest.</p> <p>Until the DIP Facility has been repaid in full, the following mandatory prepayments will be required to be made toward the DIP Facility within three (3) business days of receipt by any Debtor: (i) 100% of any net cash proceeds from any asset disposition; (ii) 100% of any proceeds received (x) under any insurance policy on account of the damage or destruction of any assets or property of any Debtor and (y) due to any taking or condemnation of any assets or property; (iii) 100% of the net cash proceeds of the incurrence or issuance of any indebtedness or equity by any Debtor; <u>provided that</u> no Debtor shall incur or issue any additional postpetition superpriority indebtedness or liens unless such amount shall be sufficient to prepay the DIP Facility in cash in full; (iv) 100% of any proceeds received or any cash received by or paid to or for the account of any Debtor not in the ordinary course of business, including but not limited to tax refunds, pension plan reversions, indemnity payments and any purchase price adjustments (other than casualty and condemnation event proceeds) and (v) the consummation of the Sale.</p>

<p><u>Reporting and Information:</u></p>	<p>Following the Closing Date, the Debtors shall be subject to the reporting and information covenants set forth in Sections 5.01 and 5.02 (other than 5.01(g)) of the Prepetition Loan Documents, modified in a customary manner to reflect the nature and tenor of the DIP Facility.</p> <p>Without limiting the generality of the foregoing, the Debtors shall deliver to the DIP Lender (i) Variance Reports (as defined below); (ii) copies of any pleadings or motions to be filed by or on behalf of any Debtor in the Cases at least three (3) days prior to such filing (or, if not practicable, as soon as reasonably practicable), (iii) all notices required to be given to all parties specified in any Financing Order; and (iv) such other information (including access to the Debtors' books, records, personnel and advisors during normal business hours) as the DIP Lender may reasonably request. All such reporting shall be in form and with sufficient detail as is acceptable to the DIP Lender in its sole discretion.</p>
<p><u>Budget; Variance Covenant; Other Financial Covenants:</u></p>	<p>The Debtors shall prepare for the DIP Lender's review and approval a thirteen-week (13-week) detailed rolling cash projection similar in form to the 13-week cash projection provided to AEP on January 12, 2023, which shall be thereafter updated, as necessary, but shall not be updated less than once every two weeks (each, a "<u>Proposed Budget</u>"). Upon the Debtors' receipt of the DIP Lender's approval (in its sole discretion and exclusive) of a Proposed Budget, such budget shall become an "<u>Approved Budget</u>" and shall replace the then-operative Approved Budget for all purposes. The Initial Approved Budget shall be the Approved Budget until such time as a new Proposed Budget is approved, following which such Proposed Budget shall constitute the Approved Budget until a subsequent Proposed Budget is approved. The Debtors shall operate in accordance with the Approved Budget and all disbursements shall be consistent with the provisions of the Approved Budget (subject to the Permitted Variance (as defined below)). The Debtors may submit additional Proposed Budgets to the DIP Lender, but until the DIP Lender approves such Proposed Budget, it shall not become an Approved Budget and the Debtors shall continue to comply with the then-operative Approved Budget. The DIP Lender's failure to respond to any submitted Proposed Budget within three (3) business days following submission thereof shall be deemed to be the DIP Lender's approval of the same, whereupon such Proposed Budget shall constitute an Approved Budget.</p> <p>Beginning on February 23 (the "<u>Initial Reporting Date</u>"), and on each Thursday thereafter (collectively with the Initial Reporting Date, each a "<u>Reporting Date</u>"), the Debtors shall deliver to the DIP Lender, in a form consistent with the form</p>

of the Approved Budget, a variance report describing in reasonable detail, by line item, (i) the actual disbursements of the Debtors and actual receipts during the applicable Testing Period (as defined below); and (ii) any variance (whether positive or negative, expressed as a percentage) between the actual receipts or disbursements, as applicable, during such Testing Period against the estimated receipts or disbursements, as applicable, for the applicable Testing Period, as set forth in the applicable Approved Budget (a “Variance Report”).

As used herein, “Testing Period” shall mean the one week period ending on the Sunday immediately preceding the applicable Reporting Date. The last day of each Testing Period shall be a “Testing Date”).

As of any applicable Testing Date:

1. Cash receipts may vary from the Approved Budget by no more than the following: (a) 20.00% for the Testing Dates ending on or prior to March 5, 2023 and (b) 15.00% for each Testing Date thereafter (the “Cash Receipt Variance”);
2. Cash disbursements may vary from the Approved Budget by no more than 15% for the Purchasing Cards and other G&A line items (the “Line Item Disbursement Variance”); and
3. Cash disbursements may vary from the Approved Budget by no more than 110% on an aggregate basis for all disbursement line items (taken together), excluding (a) line items within the Debtor Counsel, Debtor Advisors, UCC Advisors, and Other Professional Fees categories and (b) the line items described in (2), above (the “Aggregate Disbursement Variance” and, collectively with the Cash Receipt Variance and Line Item Disbursement Variance, the “Permitted Variances”);

provided, that the Debtors may carry forward favorable variances on a line-item basis from the immediately preceding Testing Period when calculating the Permitted Variances for (1) and (3) above, and from the immediately preceding two Testing Periods when calculating the Permitted Variances for (2) above.

The Debtors shall be deemed to be in compliance with the Approved Budget for all purposes under this DIP Term Sheet and the Financing Orders unless, as of any Testing Date, the Debtors’ actual cash receipts or disbursements vary from the

	<p>Approved Budget by more than the applicable Permitted Variance as measured on any Testing Date (the “<u>Variance Covenant</u>”).</p>
<p><u>Affirmative Covenants:</u></p>	<p>The Debtors shall (i) perform the affirmative covenants set forth in Article V of the Prepetition Credit Agreement other than Sections 5.01(g), 5.09 and 5.14, in each case, as applied to this DIP Term Sheet and the DIP Facility <i>mutatis mutandis</i>, and (ii) meet the case Milestones set forth herein.</p>
<p><u>Negative Covenants:</u></p>	<p>Following the Closing Date, the Debtors shall be subject to the following negative covenants as set forth in Article VI of the Prepetition Credit Agreement, as applied to this DIP Term Sheet and the DIP Facility <i>mutatis mutandis</i>:</p> <ul style="list-style-type: none"> i. Section 6.01 (without giving effect to the exceptions set forth in clauses (d), (e), (h), (i) and (j), of such section); ii. Section 6.02 (without giving effect to the exceptions set forth in clauses (d), (e), (g) or (i) of such section); iii. Section 6.03 (without giving effect to the exceptions set forth in clauses (i), (ii) and (iii) of clause (a) of such section); iv. Section 6.04 (without giving effect to the exceptions set forth in clauses (a) and (i) of such section); v. Section 6.05 (without giving effect to the exceptions set forth in clauses (e) and (g) of such section) (other than the Sale); vi. Section 6.06 (without giving effect to any exception contained therein); vii. Section 6.07 (without giving effect to any exception contained therein); viii. Section 6.08 (without giving effect to any exception contained therein) (except as expressly provided for in the Approved Budget or pursuant to orders entered by the Bankruptcy Court upon pleadings in form and substance reasonably satisfactory to the DIP Lender); ix. Section 6.09 (without giving effect to the exceptions set forth in clauses (ii) or (iii) of such section); and x. Section 6.10. <p>In addition to the above negative covenants, the Debtors shall</p>

	<p>not (i) make any payments of any kind on account of the Prepetition Debt (except as expressly provided for in the Approved Budget or pursuant to orders entered by the Bankruptcy Court upon pleadings in form and substance reasonably satisfactory to the DIP Lender) or (ii) assert any right of subrogation or contribution against any Debtor until all borrowings under the DIP Facility are paid in full and the commitments thereunder are terminated.</p>
<p><u>Events of Default:</u></p>	<p>“<u>Events of Default</u>” under the DIP Facility shall include events of default set forth in clauses (a), (b), (c), (k), (l), (n), (o), (p), (q) and (r) of Article VII of the Prepetition Credit Agreement, as applied to this DIP Term Sheet and the DIP Facility <i>mutatis mutandis</i>, as well as the occurrence of any of the following without the advance written consent of the DIP Lender in its sole discretion:</p> <ul style="list-style-type: none"> i. the Interim Order at any time ceases to be in full force and effect, or shall be vacated, reversed or stayed, or modified or amended, or shall not have been entered within 5 days after the Petition Date; ii. the Final Order at any time ceases to be in full force and effect, or shall be vacated, reversed or stayed, modified or amended, or shall not have been entered within 35 days after the Petition Date; iii. failure of the Debtors to comply in any material respect with the terms of the applicable Financing Order; iv. the failure of any Debtor to (a) comply with the Variance Covenant, (b) have an Approved Budget; (c) comply with any negative covenant or certain other customary affirmative covenants in the DIP Term Sheet or with any other covenant or agreement contained in the Financing Orders or DIP Documents in any respect or (d) comply with any other covenant or agreement contained in this DIP Term Sheet subject, in the case of the foregoing clause (d), to a grace period of 5 days; v. other than payments authorized by the Bankruptcy Court and which are set forth in the Approved Budget to the extent authorized by one or more “first day” or other orders reasonably satisfactory to the DIP Lender, any Debtor shall make any payment (whether by way of adequate protection or otherwise) of principal or interest or otherwise on account of any prepetition indebtedness or payables;

	<ul style="list-style-type: none"> <li data-bbox="727 199 1443 693">vi. any of the Cases shall be dismissed or converted to a case under Chapter 7 of the Bankruptcy Code; a Chapter 11 trustee or an examiner (other than a fee examiner) with enlarged powers relating to the operation of the business of any Debtor (powers beyond those expressly set forth in section 1106(a)(3) and (4) of the Bankruptcy Code) shall be appointed, (b) any other superpriority claim or grant of any other lien (including any adequate protection lien) other than as provided for herein which is <i>pari passu</i> with or senior to the claims and liens of the DIP Lender shall be granted in any of the Cases, or (c) the filing of any pleading by any Debtor seeking or otherwise consenting to or supporting any of the matters set forth in clause (a) or clause (b) of this subsection (vi); <li data-bbox="727 730 1443 924">vii. the Bankruptcy Court shall enter one or more orders during the pendency of the Cases granting relief from the automatic stay to the holder or holders of any lien evidencing indebtedness in excess of \$200,000 to permit foreclosure (or the granting of a deed in lieu of foreclosure or the like) on assets of any Debtor; <li data-bbox="727 961 1443 1060">viii. the Debtors petition the Bankruptcy Court to obtain additional financing <i>pari passu</i> or senior to the DIP Facility; <li data-bbox="727 1098 1443 1197">ix. the Debtors' "exclusive period" under section 1121 of the Bankruptcy Code for the filing of a plan of reorganization terminates; <li data-bbox="727 1234 1443 1396">x. the consummation of a sale of any material portion of the DIP Collateral (other than through the contemplated Sale or a sale in the ordinary course of business that is contemplated by the Approved Budget); <li data-bbox="727 1434 1443 1659">xi. the confirmation of a plan of reorganization or liquidation that does not provide for payment in full in cash of the DIP Facility Loans or such other treatment acceptable to DIP Lender, or any Debtor proposes or supports, or fails to contest in good faith, the entry of such a plan of reorganization or liquidation; <li data-bbox="727 1696 1443 1890">xii. any Debtor (A) engages in or supports any challenge to the validity, perfection, priority, extent or enforceability of the DIP Facility or the liens on or security interest in the assets of the Debtors securing the DIP Obligations, including without limitation seeking to equitably subordinate or avoid the liens
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	<p>securing such indebtedness or (B) engages in or supports any investigation or asserts any claims or causes of action (or directly or indirectly support assertion of the same) against the DIP Lender;</p> <p>xiii. the entry of an order by the Bankruptcy Court in favor of any statutory committee appointed in these Cases by the U.S. Trustee (each, a “Committee”), any ad hoc committee, or any other party in interest, (i) sustaining an objection to claims of the DIP Lender, or (ii) avoiding any liens held by the DIP Lender (provided, that the foregoing shall not be deemed to prohibit the investigation by any such committee of any such claims or liens in respect of the Obligations (as defined in the Prepetition Credit Agreement));</p> <p>xiv. the allowance of any claim or claims under section 506(c) of the Bankruptcy Code against any of the DIP Collateral;</p> <p>xv. the inaccuracy in any material respect of any representation of any Debtor when made or deemed made;</p> <p>xvi. the failure to meet any Milestone;</p> <p>xvii. entry of an order by the Bankruptcy Court in favor of any Committee, any ad hoc committee, or any other party in interest, (i) granting such party standing to pursue any claims against the DIP Lender, the Prepetition Lender, and/or the Prior Prepetition Lender, (ii) sustaining an objection to claims of the DIP Lender, (iii) avoiding any liens held by the DIP Lender, (iv) sustaining an objection to claims of the Prepetition Lender, or (v) avoiding any liens held by the Prepetition Lender except as otherwise agreed by the Prepetition Lender in writing (provided, that the foregoing shall not be deemed to prohibit the investigation by any such committee of any such claims or liens in respect of the Prepetition Loans); and</p> <p>xviii. the Termination Date (as defined below) shall have occurred.</p> <p>Upon the occurrence and during the continuance of any Event of Default, and without further application to the Bankruptcy Court, the automatic stay provisions of Section 362 of the Bankruptcy Code shall be vacated and modified to the extent necessary to permit the DIP Lender to take any of the</p>
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	<p>following actions, at the same or different times:</p> <ol style="list-style-type: none"> a. issue a written notice (the “<u>Remedies Notice</u>”) (which may be by email) to the Debtors and their counsel, counsel for any Committee, and the U.S. Trustee (the “<u>Remedies Notice Parties</u>”) declaring the occurrence of the Termination Date (as defined below); b. issue a Carve-Out Notice (as defined below); c. declare all DIP Obligations to be immediately due and payable without presentment, demand or protest or other notice of any kind, all of which are expressly waived by the Debtors; d. declare the suspension or termination of the DIP Facility as to any further liability or obligation of the DIP Lender thereunder, but without affecting the DIP Liens or DIP Obligations (the “<u>Termination Notice</u>”); and e. charge the default rate of interest under the DIP Facility. <p>Prior to terminating the rights of the Debtors to use Cash Collateral or exercising any remedies against the DIP Collateral other than those specified in (a) – (e) above, the DIP Lender shall be required to file a motion with the Court using a CM/ECF emergency code seeking emergency relief from the automatic stay (the “<u>Stay Relief Motion</u>”) on at least three (3) business days’ written notice to the Remedies Notice Parties of the DIP Lender’s intent to exercise its rights and remedies (the “<u>DIP Remedies Notice Period</u>”). In the event the Bankruptcy Court determines during a hearing on the Stay Relief Motion that an Event of Default has occurred, the Bankruptcy Court may fashion an appropriate remedy, which may include the exercise of any and all rights available to the DIP Lender under this DIP Term Sheet, the DIP Credit Agreement, the Interim Order, and/or the Final Order, as applicable.</p>
<p><u>Maturity/Termination Date:</u></p>	<p>The DIP Facility and the Debtors’ right to use Cash Collateral (as applicable) shall automatically terminate without further notice or court proceedings on the earliest to occur of:</p> <ol style="list-style-type: none"> i. six months after the Petition Date (the “<u>Scheduled Maturity Date</u>”); ii. the effective date of a plan of reorganization or liquidation for the Debtors confirmed in the Cases;

	<ul style="list-style-type: none"> iii. reserved; iv. the date of termination of the commitments under the DIP Facility and/or acceleration of any outstanding borrowings under the DIP Facility, in each case, by the DIP Lender following the occurrence of an Event of Default and upon the delivery of a Termination Notice to the Remedies Notice Parties, in each case, subject to the Debtors’ right to use Cash Collateral during the Remedies Notice Period as set forth above, and pending the outcome of the Stay Relief Hearing; v. the first business day on which the Interim Order expires by its terms or is terminated, unless the Final Order has been entered and become effective prior thereto; vi. the conversion of any of the Cases to a case under chapter 7 of the Bankruptcy Code unless otherwise consented to in writing (which may be e-mail) by the DIP Lender; vii. the dismissal of any of the Cases, unless otherwise consented to in writing (which may be e-mail) by the DIP Lender; and viii. the repayment in full in cash of all obligations and termination of all commitments under the DIP Facility <p>(the “<u>Termination Date</u>”), unless extended, with the prior written consent (which may be by e-mail) of the DIP Lender.</p>
<p><u>Carve-Out:</u></p>	<p>Notwithstanding anything to the contrary in this DIP Term Sheet, or the Financing Orders, the DIP Facility and the Adequate Protection shall be subject and subordinate to the Carve-Out.</p> <p>The Carve-Out shall include (a) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate (without regard to the Carve-Out Notice), (b) all reasonable fees and expenses up to \$50,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (without regard to the Carve-Out Notice), (c) to the extent allowed by the Bankruptcy Court at any time, unpaid fees and expenses (“<u>Allowed Professional Fees</u>”) of estate professionals incurred through the date of delivery of a Carve-Out Notice (defined below) up to the amounts for such professional included in the Approved Budget through the date of the Carve-Out trigger notice, and (d) to the extent</p>

	<p>allowed by the Bankruptcy Court at any time, up to \$750,000 of fees and expenses incurred by persons or firms retained by (i) the Debtors pursuant to Sections 327, 328, or 363 of the Bankruptcy Code or (ii) any committee appointed in the cases ((i) and (ii) together, the “<u>Estate Professionals</u>”) after the first business day following delivery of a Carve-Out Notice (excluding, for the avoidance of doubt, any success fee, transaction fee, deferred fee or other similar fee set forth in any professional’s engagement letter, the amounts set forth in this clause (d) being the “<u>Post Carve-Out Notice Cap</u>”).</p> <p>“<u>Carve-Out Notice</u>” means a written notice (which may be by email) by the DIP Lender to the Debtors, Debtors’ counsel, the U.S. Trustee, and counsel to any Committee stating that the Post Carve-Out Notice Cap has been invoked, which notice may be delivered only following the occurrence and during the continuation of an Event of Default.</p> <p>Delivery of a Carve-Out Notice shall constitute a demand to the Debtors to utilize all cash on hand (including the proceeds of DIP Facility Loans) to fund a reserve in an amount equal to the Carve-Out, which shall be earmarked and held in trust to pay unpaid fees and expenses incurred by Estate Professionals, to the extent allowed by the Bankruptcy Court at any time, prior to any and all other claims in the Cases (the “<u>Carve-Out Reserve</u>”).</p> <p>All funds in the Carve-Out Reserve shall be used first to pay the obligations set forth in clauses (a)-(d) in the above definition of “Carve-Out” until paid in full, and second, to pay the DIP Lender until paid in full. Notwithstanding anything to the contrary in this DIP Term Sheet or the Financing Orders, the failure of the Carve-Out Reserve to satisfy in full the fees of Estate Professionals shall not affect the priority of the Carve-Out.</p>
<p><u>Credit Bidding:</u></p>	<p>The Final Order shall provide that subject to the Challenge Period (defined below), the Prepetition Lender and DIP Lender, respectively, shall have the right to credit bid (pursuant to section 363(k) of the Bankruptcy Code and/or applicable law) the DIP Facility Loans and Prepetition Loans, in whole or in part, in connection with any sale or disposition of assets by the Debtors in the Cases and shall not be prohibited from making such credit bid “for cause” under section 363(k) of the Bankruptcy Code.</p>
<p><u>DIP Facility Amendments:</u></p>	<p>In order to amend, waive, or modify provisions related to this DIP Term Sheet or any of the DIP Documents, the express written consent of the DIP Lender shall be required.</p>

<p><u>Section 506(c) Waiver:</u></p>	<p>The Final Order shall include a ruling that, except to the extent of the Carve-Out, no expenses of administration of the Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from any DIP Collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law, without the prior written consent of the DIP Lender, and no such consent shall be implied from any other action, inaction, or acquiescence by the DIP Lender; and the Debtors shall irrevocably waive and shall be prohibited from asserting any claim described in this paragraph, under section 506(c) of the Bankruptcy Code or otherwise, for any costs and expenses incurred in connection with the preservation, protection or enhancement of, or realization by the DIP Lender upon the DIP Collateral.</p>
<p><u>No Marshaling:</u></p>	<p>The Final Order shall provide that the DIP Lender may exercise all remedies available under this DIP Term Sheet, the DIP Documents, and Prepetition Loan Documents, as applicable, without any requirement first to look to exercise any of its or their rights against any particular collateral or party or to exhaust any remedies available to it or them against any particular collateral or party or to resort to any other source or means of obtaining payment of any of such obligations or to elect any other remedy. Subject to entry of the Final Order, in no event shall any of the DIP Lender be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to the collateral securing the DIP Facility Loans or the Prepetition Debt.</p>
<p><u>Section 552(b):</u></p>	<p>The Final Order shall provide that the DIP Lender shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, the “equities of the case” exception under sections 552(b)(i) and (ii) of the Bankruptcy Code shall not apply to such parties with respect to the proceeds, products, rents, issues or profits of any of their collateral, and no expenses of administration of the Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, may be charged against proceeds, product, offspring or profits from any of the collateral under section 552(b) of the Bankruptcy Code.</p> <p>Furthermore, subject to entry of the Final Order, the Debtors and their estates shall be deemed to have irrevocably waived and have agreed not to assert any claim or right under sections 552 or 726 of the Bankruptcy Code to avoid the imposition of the liens of the DIP Lender on any property acquired by any of the Debtors or any of their estates or to seek to surcharge any costs or expenses incurred in connection with the</p>

	preservation, protection or enhancement of, or realization by, the DIP Lender upon the DIP Collateral or the Prepetition Collateral (as defined below), as applicable.
<u>Acknowledgement/Stipulations:</u>	<p>Subject to entry of the Final Order, each of the following stipulations, admissions, and agreements below shall be binding upon the Debtors, the assets of their bankruptcy estates (the “<u>Estates</u>”), and any successors thereto (including, without limitation, any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors) under all circumstances and for all purposes. After consultation with their attorneys and financial advisors, and without prejudice to the rights of parties in interest pursuant to the paragraph below titled “Challenge Period,” the Debtors, on their own behalf and on behalf of their Estates, admit, stipulate, acknowledge, and agree as follows (collectively, the “<u>Debtors’ Stipulations</u>”):</p> <ol style="list-style-type: none"> <li data-bbox="737 793 1430 890">i. All Prepetition Loan Documents are valid, binding, and enforceable by the Prepetition Lender against each of the relevant Debtors. <li data-bbox="737 930 1430 1854">ii. As of the Petition Date, each of the Debtors was indebted and liable, without any objection, defense, counterclaim, recoupment, challenge, or offset of any kind, to the Prepetition Lender pursuant to the Prepetition Loan Documents, in the principal amount of not less than \$ 187,994,803.06, plus, in each case, all accrued or hereafter accruing and unpaid interest thereon and any additional amounts, charges, fees and expenses (including any attorneys’, accountants’, appraisers’ and financial advisors’ fees and expenses that are chargeable or reimbursable under the Prepetition Loan Documents as to such Debtor) now or hereafter due under the Prepetition Loan Documents (all obligations of each Debtor arising under any Prepetition Loan Documents, including all loans, advances, debts, liabilities, principal, interest, fees, charges, expenses and obligations for the performance of covenants, tasks or duties, or for the payment of monetary amounts owing to the Prepetition Lender by such Debtor, of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall be referred to herein collectively as the “<u>Prepetition Obligations</u>”), which Prepetition Obligations are legal, valid, and binding obligations of each relevant Debtor and no portion of which is subject to avoidance, disallowance, reduction, recharacterization, subordination, or other challenge pursuant to the

	<p>Bankruptcy Code or applicable non-bankruptcy law.</p> <p>iii. Pursuant to the Prepetition Loan Documents and to the extent set forth therein, as of the Petition Date, each Debtor granted to the Prepetition Lender or Prior Prepetition Lender, as applicable, to secure such Debtor's Prepetition Obligations, a valid, duly authorized, non-voidable, binding, perfected, first-priority security interest in the Collateral (as specified more fully in the Prepetition Loan Documents and referred to in this DIP Term Sheet as the "<u>Prepetition Collateral</u>").</p> <p>iv. The Debtors have a critical need to obtain postpetition financing under the DIP Facility and to use Cash Collateral, as applicable, to, among other things, pay the costs and expenses associated with administering these Cases, continue the orderly operation of the Debtors' business, maximize and preserve the Debtors' going concern value, make lease and other contractual payments, and satisfy other working capital and general corporate purposes, in each case, in accordance with the Approved Budget, and to provide adequate protection. The Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without access to the DIP Facilities and the authorized use of Cash Collateral, as applicable.</p> <p>v. In light of the Debtors' facts and circumstances, the Debtors would be unable to obtain (i) adequate unsecured credit allowable either (a) under sections 364(b) and 503(b)(1) of the Bankruptcy Code, or (b) under section 364(c)(1) of the Bankruptcy Code, (ii) adequate credit secured by (a) a senior lien on unencumbered assets of their estates under section 364(c)(2) of the Bankruptcy Code, and (b) a junior lien on encumbered assets under section 364(c)(3) of the Bankruptcy Code, or (iii) secured credit under section 364(d)(1) of the Bankruptcy Code from sources other than the DIP Lender on terms more favorable than the terms of the DIP Facility. The only viable source of secured credit available to the Debtors, other than the use of Cash Collateral, is the DIP Facility. The Debtors require both additional financing under the DIP Facility and the continued use of Cash Collateral, as applicable, under the terms of this DIP Term Sheet and subject to the Final Order, to satisfy their postpetition liquidity needs. The DIP Lender has indicated a willingness to provide the</p>
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	<p>Debtors with certain financing commitments, and the Prepetition Lender authorize the use of Prepetition Collateral, including Cash Collateral, but solely on the terms and conditions set forth in this DIP Term Sheet and subject to the Final Order.</p> <p>vi. Accordingly, after considering all of their practical alternatives, the Debtors have concluded, in an exercise of their sound business judgment, that the financing to be provided by the DIP Lender pursuant to the terms of this DIP Term Sheet represents the best financing currently available to the Debtors.</p> <p>vii. Good cause has been shown for immediate entry of this the Interim Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) and Local Rule 4001-2. Entry of the Interim Order is in the best interest of the Debtors, their estates and creditors. The terms of this DIP Term Sheet (including the Debtors’ continued use of the Prepetition Collateral, including Cash Collateral) are in the best interest of the Debtors’ estates under the circumstances, reflect the Debtors’ exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration for the Prepetition Lender’s consent thereto.</p> <p>viii. The Debtors, the DIP Lender and the Prepetition Lender have negotiated the terms and conditions of this DIP Term Sheet (including the Debtors’ continued use of the Prepetition Collateral, including Cash Collateral) in good faith and at arm’s length, and any credit extended and loans made to the Debtors pursuant to this DIP Term Sheet and the Debtors’ Stipulations shall be, and hereby are, deemed to have been extended, issued or made, as the case may be, in “good faith” within the meaning of section 364(e) of the Bankruptcy Code. Subject to the paragraph below titled “Challenge Period,” the Prepetition Lender is entitled to receive adequate protection as set forth herein pursuant to sections 361, 362, 363 and 364 of the Bankruptcy Code for any diminution in the value of the Prepetition Collateral, including Cash Collateral, resulting from the automatic stay or the Debtors’ use, sale or lease of the Prepetition Collateral, including Cash Collateral, during these Cases.</p> <p>Subject to entry of the Final Order, the Debtors shall provide a full release to the DIP Lender, which would not bind the Committee or other party in interest until the expiration of the</p>
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	<p>period described in the paragraph below titled “Challenge Period.”</p>
<p><u>Challenge Period:</u></p>	<p>The Financing Orders shall establish a deadline that:</p> <ul style="list-style-type: none"> (i) in the case of any Committee, is within 60 days from the Committee’s formation, which deadline shall be subject to extension by (x) agreement of the Committee, the Debtors and the Prepetition Lender, or (y) by order of the Court, (ii) in the case that a chapter 7 or chapter 11 trustee is appointed or elected within 60 days after the Petition Date (including following a conversion of the Cases to cases under chapter 7), then in the case of such chapter 7 or chapter 11 trustee, is the longer of 60 days from the Petition Date or 30 days from the appointment of such chapter 7 or chapter 11 trustee, or (iii) in the case of any other party in interest (including a chapter 7 or chapter 11 trustee appointed or elected more than 60 days after the Petition Date), is within 60 days of the Petition Date, <p>by which the Committee, or any creditor or other party-in-interest (in any case, which has obtained the requisite standing) must commence an adversary proceeding, if at all, against the Prepetition Lender or the Prior Prepetition Lender for the purpose of challenging the validity, extent, priority, perfection and enforceability of the prepetition secured debt under the Prepetition Loan Documents, or the liens, claims and security interests in the Prepetition Collateral in favor of the Prepetition Lender or the Prior Prepetition Lender, or otherwise asserting any claims or causes of action against the Prepetition Lender or the Prior Prepetition Lender on behalf of the Debtors’ estates; <u>provided, however</u>, that nothing contained in this DIP Term Sheet or the Financing Orders shall be deemed to confer standing on any Committee or any other party in interest to commence such an adversary proceeding. If such an adversary proceeding is not commenced within such period, then the Prepetition Lender and Prior Prepetition Lender shall automatically receive full waivers and releases provided in the Financing Orders and the liens of the Prepetition Lender and Prior Prepetition Lender, as applicable, shall be valid, perfected, enforceable and unavoidable without any further action by the Prepetition Lender or Prior Prepetition Lender under the terms of the Financing Orders.</p>

<u>No Priming or Pari Passu Liens:</u>	No order shall be entered authorizing or approving any liens or encumbrances on the DIP Collateral or the Prepetition Collateral, as applicable, senior to or <i>pari passu</i> with the liens of the Prepetition Lender other than the liens of the DIP Lender.
<u>Restrictions on Use of DIP Facility Loans and Cash Collateral:</u>	None of the Carve-Out, any Cash Collateral, the DIP Facility Loans, the DIP Collateral, or the Prepetition Collateral may be used to challenge the amount, validity, perfection, priority or enforceability of, or assert any defense, counterclaim or offset to, the DIP Facility, this DIP Term Sheet, or the DIP Documents or the Prepetition Debt or the Prepetition Loan Documents, or the security interests and liens securing any of the DIP Obligations or the Prepetition Debt, or to fund prosecution or assertion of any claims, or to otherwise litigate against the DIP Lender, <u>provided</u> that up to \$25,000 shall be made available to the Committee for investigation costs in respect of the stipulations contemplated below or otherwise set forth in the Financing Orders.
<u>Payment of Expenses:</u>	The reasonable and documented fees and out-of-pocket expenses incurred or accrued by the DIP Lender (the foregoing to include all unpaid reasonable and documented prepetition fees, out-of-pocket costs and expenses incurred by the DIP Lender in connection with the DIP Facility) in connection with any and all aspects of the Debtors' Cases shall be timely paid upon receipt of an invoice or other request for payment in accordance with the Financing Orders.
<u>Indemnification:</u>	The Debtors shall agree to indemnify and hold harmless the DIP Lender (solely in its capacity as DIP Lender) and each of its respective affiliates and each of their respective officers, directors, employees, agents, advisors, attorneys and representatives (each, an " <u>Indemnified Party</u> ") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable and documented fees and out-of-pocket expenses of counsel), that may be incurred by or asserted or awarded against any Indemnified Party (including, without limitation, in connection with any investigation, litigation or proceeding or the preparation of a defense in connection therewith), arising out of or in connection with or by reason of the DIP Facility, or any of transactions contemplated hereby, except to the extent arising from an Indemnified Party's gross negligence or willful misconduct. In the case of an investigation, litigation or other proceeding to which the indemnity in this paragraph applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any of the Debtors, any of their respective directors, security holders or creditors, an Indemnified Party or any other person or an Indemnified Party is otherwise a party thereto and whether or

	not the transactions contemplated hereby are consummated.
<u>Reservation of Rights:</u>	The adequate protection provisions contained herein shall be without prejudice to the rights of the Prepetition Lender to seek any other, further or additional adequate protection. Nothing in the DIP Term Sheet or the Financing Orders shall be deemed to waive, modify or otherwise impair the rights of the Prepetition Lender, and the Prepetition Lender shall expressly reserve all of its rights and remedies under the Prepetition Loan Documents and applicable law. Without limiting the foregoing, nothing in the DIP Term Sheet or the Financing Orders shall have the effect of, or shall be construed as having the effect of amending or waiving any covenant, term or provision of the Prepetition Loan Documents, or any rights or remedies of the Prepetition Lender thereunder, including (without limitation) any right to require strict compliance with such covenant, term or provision despite any consent or agreement contained in the DIP Term Sheet or the Financing Orders.
<u>Fiduciary Duties:</u>	Notwithstanding anything to the contrary in this DIP Term Sheet or the Financing Orders, or any other document, order, or instrument, nothing in the DIP Term Sheet or the Financing Orders shall require the Debtors, the Debtors' board of directors, or any similar governing body of the Debtors, after consulting with counsel, to take any action or to refrain from taking any action with respect to any alternative financing transaction to the extent taking or failing to take such action would be inconsistent with applicable law or its fiduciary obligations under applicable law. To extent of any conflict between this provision and any other provision in this DIP Term Sheet, this provision will control.
<u>Miscellaneous:</u>	This summary of terms and conditions does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive credit documentation for the DIP Facility contemplated hereby, all of which shall be acceptable to the DIP Lender.
<u>Governing Law:</u>	The laws of the State of New York (excluding the laws applicable to conflicts or choice of law), except as governed by the Bankruptcy Code.

IN WITNESS WHEREOF, this DIP Term Sheet is duly executed as of the date first set forth above.

IEH AUTO PARTS HOLDING LLC
IEH BA LLC
IEH AIM LLC

By: _____
Name: Michael Neyrey
Title: Chief Executive Officer

IEH AUTO PARTS LLC
AP ACQUISITION COMPANY NEW YORK LLC
AP ACQUISITION COMPANY MASSACHUSETTS
LLC
AP ACQUISITION COMPANY WASHINGTON LLC
AP ACQUISITION COMPANY MISSOURI LLC
AP ACQUISITION COMPANY GORDON LLC
AP ACQUISITION COMPANY CLARK LLC
AP ACQUISITION COMPANY NEW YORK LLC
AP ACQUISITION COMPANY NORTH CAROLINA
LLC
IEH AUTO PARTS PUERTO RICO, INC.

By: _____
Name: Michael Neyrey
Title: Chief Executive Officer and Director

AUTO PLUS AUTO SALES LLC

By: _____
Name: Steve Shipman
Title: Vice President

Exhibit 2

Approved Budget

Week Ending ¹	Forecast Post-Petition 2/5/2023	Forecast Post-Petition 2/12/2023	Forecast Post-Petition 2/19/2023	Forecast Post-Petition 2/26/2023	Forecast Post-Petition 3/5/2023	Forecast Post-Petition 3/12/2023	Forecast Post-Petition 3/19/2023	Forecast Post-Petition 3/26/2023	Forecast Post-Petition 4/2/2023	Forecast Post-Petition 4/9/2023	Forecast Post-Petition 4/16/2023	Forecast Post-Petition 4/23/2023
Net Cash Receipts	\$ 4,603,000	\$ 14,652,000	\$ 14,652,000	\$ 9,603,000	\$ 9,405,000	\$ 14,355,000	\$ 14,355,000	\$ 9,405,000	\$ 8,712,000	\$ 14,850,000	\$ 14,850,000	\$ 11,781,000
Methodology Disbursements												
Employee Wages & Benefits	\$ 388,004	\$ 5,655,371	\$ 418,311	\$ 5,583,589	\$ 388,004	\$ 5,655,371	\$ 418,311	\$ 5,583,589	\$ 388,004	\$ 5,655,371	\$ 418,311	\$ 5,583,589
Employee Bonus	-	-	-	172,544	-	360,944	-	-	-	172,544	-	-
Rent & Utilities	19,480	69,000	162,236	119,838	4,036,598	155,002	169,270	132,906	4,026,604	143,696	116,735	118,174
Insurance	-	-	1,805,123	-	328,764	-	-	-	328,764	-	-	-
IT & Communications	274,686	137,714	520,888	357,943	430,460	225,449	520,888	288,643	204,686	137,714	523,024	289,288
Taxes	547,383	289,257	10,494	-	282,976	78,997	51,824	-	1,747,376	41,005	23,486	1,115,000
Total Methodology Disbursements	\$ 1,229,553	\$ 6,151,341	\$ 2,917,051	\$ 6,233,914	\$ 5,466,802	\$ 6,475,762	\$ 1,160,293	\$ 6,005,138	\$ 6,695,434	\$ 6,150,329	\$ 1,081,556	\$ 7,106,052
Non-Methodology Disbursements												
Merchandise	\$ 9,908,071	\$ 6,534,423	\$ 3,697,189	\$ 3,743,407	\$ 4,266,037	\$ 4,579,787	\$ 5,778,216	\$ 4,494,135	\$ 4,809,530	\$ 4,716,450	\$ 5,050,901	\$ 5,206,154
Transportation	804,428	763,489	804,428	763,489	926,831	885,891	926,831	885,891	638,544	597,605	638,544	597,605
Purchasing Cards	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Ocean Freight	231,512	231,512	272,462	272,462	272,462	272,462	272,462	272,462	272,462	194,462	194,462	194,462
Contractors	34,727	273,286	90,249	172,897	34,727	273,286	90,249	172,897	34,727	273,286	90,249	172,897
Ordinary Course Professionals	124,983	197,790	73,116	38,640	124,983	144,795	73,116	23,551	124,983	49,795	73,116	23,551
Other G&A	323,648	506,056	348,644	396,193	318,741	417,386	226,468	424,425	305,977	385,979	244,361	416,182
Total Non-Methodology Disbursements	\$ 11,427,369	\$ 9,006,555	\$ 5,786,088	\$ 5,887,088	\$ 6,443,781	\$ 7,073,606	\$ 7,867,341	\$ 6,773,361	\$ 6,686,222	\$ 6,717,575	\$ 6,791,633	\$ 7,110,850
Operating Cash Flow	\$ (8,053,922)	\$ (505,896)	\$ 5,948,861	\$ (2,518,002)	\$ (2,505,584)	\$ 805,632	\$ 5,327,366	\$ (3,373,500)	\$ (4,669,656)	\$ 1,982,096	\$ 6,976,810	\$ (2,435,902)
Cumulative Operating Cash Flow	(8,053,922)	(8,559,818)	(2,610,957)	(5,128,959)	(7,634,543)	(6,828,910)	(1,501,544)	(4,875,044)	(9,544,700)	(7,562,604)	(585,794)	(3,021,696)
Non-Operating Disbursements												
D&O	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIP Interest	-	-	-	-	233,333	-	-	-	1,749,651	-	-	-
TSA Reimbursement	-	-	-	-	70,000	-	-	-	70,000	-	-	-
Total Non-Operating Disbursements	\$ -	\$ -	\$ -	\$ -	\$ 303,333	\$ -	\$ -	\$ -	\$ 1,819,651	\$ -	\$ -	\$ -
Restructuring Costs												
Total Professional Fees	\$ 750,000	\$ 275,000	\$ 483,333	\$ 383,333	\$ 1,358,333	\$ 356,667	\$ 356,667	\$ 356,667	\$ 456,667	\$ 1,211,667	\$ 336,667	\$ 336,667
Other Restructuring Costs												
U.S. Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Critical Vendor	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	-	-	-	-	-
Foreign Vendor	-	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	1,083,333	-	-	-	-	-
Shipperman's	-	500,000	500,000	500,000	500,000	500,000	500,000	-	-	-	-	-
503(b)(9)	-	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	-	-	-	-	-
DIP Financing Fee	-	250,000	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-
Other Restructuring Costs	-	9,666,667	9,416,667	9,416,667	9,416,667	9,416,667	9,416,667	-	-	-	-	-
Total Restructuring Costs	\$ 750,000	\$ 9,941,667	\$ 9,900,000	\$ 9,800,000	\$ 10,775,000	\$ 9,773,333	\$ 9,773,333	\$ 356,667	\$ 456,667	\$ 1,211,667	\$ 336,667	\$ 336,667
Total Disbursements	\$ 13,406,922	\$ 25,099,562	\$ 18,603,139	\$ 21,921,002	\$ 22,988,917	\$ 23,322,701	\$ 18,800,967	\$ 13,135,166	\$ 15,657,974	\$ 14,079,571	\$ 8,209,856	\$ 14,553,569
Beginning Cash (Book)	\$ 3,888,062	\$ 12,584,140	\$ 2,136,578	\$ 15,685,439	\$ 3,367,436	\$ 11,783,519	\$ 2,815,818	\$ 6,369,851	\$ 2,639,685	\$ 1,693,711	\$ 2,464,140	\$ 9,104,283
Net Cash Flow	(8,803,922)	(10,447,562)	(3,951,139)	(12,318,002)	(13,583,917)	(8,967,701)	(4,445,967)	(3,730,166)	(6,945,974)	770,429	6,640,144	(2,772,569)
DIP Draw (Repayment)	17,500,000	-	17,500,000	-	22,000,000	-	8,000,000	-	6,000,000	-	-	-
Ending Cash (Book)	\$ 12,584,140	\$ 2,136,578	\$ 15,685,439	\$ 3,367,436	\$ 11,783,519	\$ 2,815,818	\$ 6,369,851	\$ 2,639,685	\$ 1,693,711	\$ 2,464,140	\$ 9,104,283	\$ 6,331,715
Debt Rollforward												
Beginning DIP Balance	\$ -	\$ 17,500,000	\$ 17,500,000	\$ 35,000,000	\$ 35,000,000	\$ 57,000,000	\$ 57,000,000	\$ 65,000,000	\$ 65,000,000	\$ 71,000,000	\$ 71,000,000	\$ 71,000,000
Draw (Repayment)	17,500,000	-	17,500,000	-	22,000,000	-	8,000,000	-	6,000,000	-	-	-
Ending DIP Balance	\$ 17,500,000	\$ 17,500,000	\$ 35,000,000	\$ 35,000,000	\$ 57,000,000	\$ 57,000,000	\$ 65,000,000	\$ 65,000,000	\$ 71,000,000	\$ 71,000,000	\$ 71,000,000	\$ 71,000,000
DIP Availability	57,500,000	57,500,000	40,000,000	40,000,000	18,000,000	18,000,000	10,000,000	10,000,000	4,000,000	4,000,000	4,000,000	4,000,000
DIP Commitment	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000

1. The week ended February 5, 2023 represents the period of February 1, 2023 through February 5, 2023

