

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

)	Chapter 11
In re:)	
IEH AUTO PARTS HOLDING LLC, <i>et al.</i> , ¹)	Case No. 23-90054 (CML)
)	(Jointly Administered)
Debtors.)	Re: Docket Nos. 16, 40, 90

**FINAL ORDER (I) AUTHORIZING POST-PETITION
 FINANCING SECURED BY SENIOR LIENS, (II) AUTHORIZING
 THE DEBTORS TO USE CASH COLLATERAL; (III) GRANTING
 ADEQUATE PROTECTION, AND (IV) 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 (Dkt. No. 90, the “Interim Order”) and a final order (this “Final Order” and, together with the Interim Order, the “Financing Orders”), (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”). The Court conducted an interim hearing on the Motion for February 1, 2023, at 4:00 p.m. and a final hearing on the Motion on May 2, 2023, at 10:00 a.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, the interim hearing, and final hearing are 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.



exigent circumstances of the Motion and the relief granted in this Final 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 were not granted.

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

A. **Jurisdiction; Venue.** 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. **Availability of Financing.** The Debtors are unable to obtain financing on more favorable terms than the DIP Facility (as defined below) 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. **Cash Collateral.** “Cash Collateral” means all cash and cash equivalents of the Debtors, whenever or wherever acquired, and the proceeds of all collateral pledged to American Entertainment Properties Corp. (“AEP”), in its capacity as Lender under the DIP Facility (together with its successors and assigns, the “DIP Lender”), as contemplated by section 363 of the Bankruptcy Code. The terms and conditions of the DIP Facility and the Debtors’ 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).

D. **Debtors' Stipulations.** The Debtors, on their own behalf and on behalf of their estates, hereby admit, acknowledge, agree, and stipulate, that (clauses a-h below, collectively, the "Stipulations"):

a. That certain Credit and Guaranty Agreement, dated as of August 31, 2021, among IEH Auto Parts Holding LLC, certain of its subsidiaries, and AEP (in such capacity, the "Prepetition Lender") (as assigned to the Prepetition Lender by Icahn Enterprises Holdings, L.P. (the "Prior Prepetition Lender" and, collectively with the Prepetition Lender, the "Prepetition Lenders"), pursuant to that certain Assignment and Assumption dated as of January 30, 2023), as amended by electronic mail on November 12, 2021 pursuant to Section 8.02(b) thereto, the Second Amendment to Credit and Guaranty Agreement, dated as of December 30, 2021, the Third Amendment to Credit and Guaranty Agreement, dated as of January 1, 2022, the Fourth Amendment to Credit and Guaranty Agreement, dated as of September 1, 2022, and the Fifth Amendment to Credit and Guaranty Agreement and Release of Certain Borrowers and Guarantors, dated as of January 30, 2023, as further amended, supplemented, or otherwise modified, the "Prepetition Credit Agreement") and related prepetition collateral and loan documents related thereto (collectively with the Prepetition Credit Agreement, the "Prepetition Loan Documents" and the credit facility evidenced thereby, the "Prepetition Credit Facility") are valid, binding, and enforceable by the Prepetition Lender against each of the relevant Debtors.

b. As of the date these chapter 11 cases (the "Chapter 11 Cases") were filed (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 US \$187,994,803.06, plus, in each case, all accrued or thereafter 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 any 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 any Debtor, of any kind or nature, whether or not evidenced by any note, agreement or other instrument, are referred to collectively as the "Prepetition Obligations"), 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 Bankruptcy Code or applicable non-bankruptcy law.

c. Pursuant to the Prepetition Loan Documents and to the extent set forth therein, as of the Petition Date, each Debtor has granted to the Prepetition Lender (as successor in interest under the Prepetition Loan Documents to the Prior Prepetition Lender), 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, the "Prepetition Collateral," and the liens on such Prepetition Collateral securing the Prepetition Obligations, the

“Prepetition Liens”).

d. 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 Chapter 11 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 (as defined in the Interim Order and the DIP Credit Agreement (as defined below)), 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 Facility and the authorized use of Cash Collateral, as applicable.

e. 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 the Interim Order and

the DIP Loan Documents (as defined in the DIP Credit Agreement) and subject to this Final Order, to satisfy their postpetition liquidity needs. The DIP Lender indicated a willingness to provide the Debtors with certain financing commitments, and the Prepetition Lender authorizes the use of Prepetition Collateral, including Cash Collateral, but solely on the terms and conditions set forth in the Interim Order, the DIP Credit Agreement and subject to this Final Order.

f. After considering all of their practical alternatives, the Debtors concluded, in an exercise of their sound business judgment, that the financing to be provided by the DIP Lender pursuant to the terms of the Interim Order, the DIP Credit Agreement, and this Final Order represents the best financing currently available to the Debtors.

g. Good cause has been shown for immediate entry of this Final Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) and Local Rule 4001-2. Entry of this Final Order is in the best interest of the Debtors, their estates, and creditors. The terms of the DIP Credit Agreement (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.

h. The Debtors, the DIP Lender and the Prepetition Lender negotiated the terms and conditions of the DIP Credit Agreement (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 the Interim Order, the DIP Credit Agreement, this Final Order, and the Debtors' Stipulations 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 in this Final Order 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 Chapter 11 Cases.

Therefore, it is ORDERED that

1. **Authorization of DIP Facility.** The Debtors are authorized to enter into and perform under a priming, senior secured, superpriority debtor-in-possession credit facility (the “DIP Facility”) with the DIP Lender on the terms reflected in the Priming Senior Secured Superpriority Debtor-in-Possession Credit Agreement attached as **Exhibit 1**,² (the “DIP Credit Agreement” and together with any related security agreement(s) and guarantees, security documents, and other agreements, instruments and documents required by the DIP Lender, the “DIP Loan Documents”) which is approved and incorporated in its entirety, and to perform all obligations under the DIP Credit Agreement, which upon being entered into constitute valid, binding, and non-avoidable obligations of the Debtors that are enforceable against the Debtors in accordance with the terms of the DIP Credit Agreement and this Final Order.

2. **Documentation of DIP Facility.** 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 Loan Documents and (b) perform all acts

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the DIP Credit Agreement.

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 Credit Agreement and DIP Loan 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 Ancillary Documents are consistent in all material respects with the DIP Credit Agreement and DIP Loan Documents; provided further that no further approval of the Court is required for the Debtors to pay to the DIP Lender 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 Credit Agreement or DIP Loan Documents or increase the aggregate commitments or the rate of interest payable thereunder. To the extent of any conflict between the terms of this Final Order and the DIP Loan Documents, this Final Order shall control.

3. **Amount of Facility.** The Debtors may draw up to \$75 million in the aggregate (after giving effect to any Interim Advance (as defined in the DIP Credit Agreement)) of New Money Loans (as defined in the DIP Credit Agreement) extended by the DIP Lender as set forth in the DIP Credit Agreement.

4. **Roll-Up.** All Prepetition Obligations are hereby immediately, automatically, and irrevocably deemed to have converted to Roll-Up Loans under and as defined in the DIP Credit Agreement (the “Roll-Up Loans”), which Roll-Up Loans, except as otherwise provided in this Final Order and the DIP Credit Agreement, are entitled to all of the priorities, privileges, rights, and other benefits afforded to the other DIP Obligations (as defined below) under this Final Order and the DIP Loan Documents. The conversion of the Roll-Up Loans is hereby authorized as

compensation for, in consideration for, as a necessary inducement for, and on account of the agreement of the DIP Lender to consent to and fund New Money Loans and make other extension of credit under the DIP Facility and not as payments under, adequate protection for, or otherwise on account of any Prepetition Obligations. The Prepetition Lender would not otherwise consent to the use of their Cash Collateral or the subordination of their liens to the DIP Liens (as defined below), and the DIP Lender would not be willing to provide the DIP Facility or extend credit to the Debtors thereunder without the conversion of the Roll-Up Loans.

5. **Use of DIP Proceeds and Cash Collateral.** The Debtors are authorized to use the proceeds of the DIP Facility Loans (as defined in the DIP Credit Agreement) and Cash Collateral solely for the purposes set forth in Section 5.08 of the DIP Credit Agreement and solely in accordance with the Approved Budget attached hereto as Exhibit 2, subject to the Permitted Variances (as defined in the DIP Credit Agreement).

6. **DIP Superpriority Claims.** In accordance with Bankruptcy Code section 364(c)(1), the DIP Obligations constitute superpriority administrative expense claims (the “DIP Superpriority Claims”) (without the need to file any proofs of claim or request for payment of administrative expenses) against each of the Debtors with priority in payment over any and all administrative expenses, adequate protection claims, diminution claims, prepetition unsecured claims, and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, any prepetition claims and adequate protection claims of the Prepetition Lender, any adequate protection claims granted in favor of any other parties, and any and all administrative expenses or other claims of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including, but not limited to, Bankruptcy Code sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113, and 1114 or otherwise,

including those resulting from the conversion of any of these Chapter 11 Cases pursuant to section 1112 of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy, or attachment; provided, however, that the DIP Superpriority Claims are subject to the Carve-Out (as defined below). The DIP Superpriority Claims, for purposes of section 1129(a)(9)(A) of the Bankruptcy Code, are administrative expenses allowed under section 503(b) of the Bankruptcy Code, are against each Debtor on a joint and several basis, and are payable from and have recourse to all prepetition and post-petition property of the Debtors and all proceeds thereof, including proceeds of any of the estate's causes of action under Chapter 5 of the Bankruptcy Code to the extent not released pursuant to the 9019 Order (defined below) (such proceeds, "Avoidance Action Proceeds"). Except as set forth in, or permitted by, this Final 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 are granted or allowed in these Chapter 11 Cases. The DIP Superpriority Claims and DIP Liens are entitled to the full protection of section 364(e) of the Bankruptcy Code in the event that this Final Order or any provision hereof is vacated, reversed, or modified on appeal or otherwise.

7. **DIP Liens**. Subject to the Carve-Out (as defined below), all Obligations (as defined in the DIP Credit Agreement) of the Debtors under the DIP Facility (the "DIP Obligations") are:

- (a) 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, other than "Excluded Assets" as defined in the Security Agreement (as defined in the DIP Credit Agreement), 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 Avoidance Action Proceeds) (such liens, subject only to the Carve-Out);

(b) 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, other than Excluded Assets, 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 "Permitted Prior Liens"), which security interests and liens are junior and subordinate only to such Permitted Prior Liens and the Carve-Out;

(c) 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), other than Excluded Assets, whether now existing or hereafter acquired or arising, that secure the Prepetition Obligations (such lien, together with the liens described in clauses (a) through (b) above, the "DIP Liens" and such collateral, together with the collateral described in paragraph 6 and clauses (a) through (b) above, along with any and all rents, issues, products, offspring, proceeds and profits generated by any such collateral, collectively, the "DIP Collateral"), which liens are subject to the Carve-Out.

8. **Prepetition Lender Adequate Protection.** Until the indefeasible repayment in full in cash of the Prepetition Obligations, the Prepetition Lender is entitled to adequate protection of its interests in the Prepetition Collateral on account of the diminution in the value thereof as a

result of (a) the provisions of this Final Order granting priming liens on such Prepetition Collateral to the DIP Lender; (b) the authorization of the use of Cash Collateral and other Prepetition Collateral; (c) the imposition of the automatic stay pursuant to section 362 of the Bankruptcy Code; and/or (d) otherwise (the “Diminution in Prepetition Collateral Value”), pursuant to sections 361(a), 363(c) and 364(d)(1) of the Bankruptcy Code. For the avoidance of doubt, the rights of the Prepetition Lender, Debtors, the statutory committee of unsecured creditors appointed in these Chapter 11 Cases by the U.S. Trustee (as defined below), if any (the “Committee”), and all other parties in interest in respect of whether any Diminution in Prepetition Collateral Value has occurred and the extent of any such diminution in value are reserved. The Prepetition Lender, is hereby granted the following (collectively, the “Prepetition Adequate Protection Obligations”):

a. *Payment of Interest.* 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; provided that (i) default interest under the Prepetition Loan Documents shall be calculated from the Petition Date, (ii) 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, and (iii) the automatic stay is modified to the extent necessary to permit the Prepetition Lender to deliver any notices or take any other actions to impose default interest under the Prepetition Loan Documents.

b. *Adequate Protection Liens.* 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 Prepetition Collateral Value (the “Adequate Protection Liens”).

c. *Reimbursement of Fees.* 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 these Chapter 11 Cases.

d. *Reporting.* Delivery of reporting and information as provided for in the DIP Credit Agreement.

e. *Right to Seek Additional Adequate Protection and Reservation of Rights.* The adequate protection provisions contained in this Final Order are without prejudice to the rights of the Prepetition Lender to seek any other, further, or additional adequate protection. Nothing in the DIP Term Sheet (as defined in the Interim Order), DIP Loan Documents, the Interim Order, or this Final Order are 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, DIP Loan Documents, the Interim Order, or this Final Order shall have the effect of, or are 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, DIP Loan Documents, the Interim Order, or this Final Order.

9. **Binding Effect of Stipulations; Challenge Period.** The Stipulations are

immediately binding on the Debtors and their successors in interest (including any trustee appointed in the Chapter 11 Cases or any subsequent chapter 7 case). Each Stipulation is binding on all parties-in-interest for all purposes unless the Committee, or any creditor or other party-in-interest (in either case which has obtained the requisite standing) timely commences an adversary proceeding, or files a motion requesting standing to file an adversary proceeding and attaching the adversary complaint such party-in-interest seeks standing to file, against the Prepetition Lenders 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 Lenders, or otherwise asserting any claims or causes of action against the Prepetition Lenders on behalf of the Debtors' estates (a "Challenge") and such Challenge is successful. Nothing contained in the DIP Loan Documents or the Financing Orders is deemed to confer standing on any Committee or any other party in interest to commence such an adversary proceeding. A Challenge is timely if it is commenced if:

- i) in the case of any Committee, the motion seeking standing to file such Challenge is filed by the later of May 8, 2023 and fourteen (14) days after the entry of any order denying or overturning on appeal the Debtors' *Emergency Motion for Entry of an Order Approving the Settlement Between the IEH Debtors, AEP, Pep Boys, the Committee, and the Committee Members* (the "9019 Motion") (the Committee's Challenge deadline is subject to extension by (x) agreement of the Committee, the Debtors, and the Prepetition Lender, or (y) by order of the Court), or
- 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 these Chapter 11 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,

((i) through (iii), collectively, the “Challenge Period”). If a Challenge is not commenced within the relevant Challenge Period, then the Prepetition Lenders shall automatically receive full waivers and releases as provided in this Final Order, and the liens of the Prepetition Lenders, are valid, perfected, enforceable, and unavoidable without any further action by the Prepetition Lenders. In the case of an investigation, litigation, or other proceeding to which the indemnity in the DIP Credit Agreement applies, such indemnity is 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 Indemnitee (as defined in the DIP Credit Agreement) or any other person or an Indemnitee is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated.

10. **Release of Claims and Defenses.** Each Debtor, on its own behalf and on behalf of its estate, hereby absolutely, irrevocably, and unconditionally releases and forever discharges and acquits the DIP Lender, Prepetition Lenders, together with their respective current or former affiliates, agents, subsidiaries, partners, controlling persons, attorneys, advisors, professionals, officers, directors and employees (collectively, the “Released Parties”), of and from any and all obligations and liabilities to the Debtors (and their successors and assigns) and from any and all claims, controversies, disputes, obligations, counterclaims, offsets, defenses, demands, debts, damages, expenses, losses, liens, accounts, contracts, liabilities, actions, causes of action and any other rights of disgorgement or recovery arising prior the Petition Date of any kind, nature or description, whether known or unknown, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, suspected or unsuspected, or liquidated or unliquidated, pending or threatened, arising in law or equity or upon contract or tort or under any state or federal law or otherwise,

arising out of, based upon or related to, in whole or in part, any of the DIP Loan Documents; the Prepetition Loan Documents; or any loans under the DIP Facility or Prepetition Credit Facility; any aspect of the relationship between the Debtors, on the one hand, and any or all of the Released Parties, on the other hand, relating to any of DIP Loan Documents, Prepetition Loan Documents, or any transaction contemplated thereby; or any other acts or omissions by any or all of the Released Parties in connection with the DIP Facility, the Prepetition Credit Facility, or their prepetition relationship with such Debtor or any affiliate thereof relating to any of the DIP Loan Documents, the Prepetition Loan Documents, or any transaction contemplated thereby; including, without limitation, any so-called “lender liability” claims or defenses or claims or defenses under chapter 5 of the Bankruptcy Code or any other causes of action, in each case that any Debtor at any time had, now has or may have, or that its successors or assigns hereafter can or may have against any of the Released Parties for or by any reason of any act, omission, matter, cause or thing whatsoever arising at any time on or prior to the date of this Final Order; provided that the releases set forth in this section do not release any claims against a Released Party or liabilities that a court of competent jurisdiction determines results from the bad faith, fraud, gross negligence or willful misconduct of such Released Party; provided, further, that nothing in this Final Order relieves the DIP Lender from fulfilling its commitments under the DIP Facility.

11. **Carve-Out.** As used in this Final Order, the “Carve-Out” means the sum of (a) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee (“U.S. 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 (“Allowed Professional Fees”) 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 Notice, and (d) to the extent 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 these Chapter 11 Cases ((i) and (ii) together, the “Estate Professionals”) 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 “Post Carve-Out Notice Cap”). For purposes of the foregoing, “Carve-Out Notice” 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.

a. *Carve-Out Reserves.* 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 these Chapter 11 Cases (the “Carve-Out Reserve”). All funds in the Carve-Out Reserve shall be used first to pay the obligations set forth in clauses (a) through (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 the DIP Loan Documents 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.

12. **Restriction on Use of DIP Lenders' Funds and Cash Collateral.** 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, the DIP Term Sheet, the DIP Credit Agreement, or the DIP Loan Documents or the Prepetition Obligations or the Prepetition Loan Documents, or the security interests and liens securing any of the DIP Obligations or the Prepetition Obligations, or to fund prosecution or assertion of any claims, or to otherwise litigate against the DIP Lender, provided that upon entry of an order by this Court approving the Debtors' *Emergency Motion for Entry of an Order Approving the Settlement Between The IEH Debtors, AEP, Pep Boys, the Committee, and the Committee Members* [Docket No. 444] (the "9019 Order"), this Paragraph 12 shall not apply to the Committee for so long as the 9019 Order has not been stayed, vacated, reversed, or modified on appeal or otherwise and the Committee or members of the Committee have not breached the settlement approved by the 9019 Order.

13. **506(c) Waiver.** Except to the extent of the Carve-Out, no expenses of administration of these Chapter 11 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 irrevocably waive and are 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.

14. **Waiver of Marshaling.** Except to the extent of the Carve-Out, in connection with any disposition of or exercise of rights and remedies with respect to the DIP Collateral, the DIP Lender may exercise all remedies available under the DIP Credit Agreement, the DIP Loan 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. In no event shall 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 Obligations.

15. **Section 552(b).** In light of the subordination of their liens and superpriority administrative claims (i) in the case of the DIP Lender, to the Carve-Out and the Permitted Prior Liens and (ii) in the case of the Prepetition Lender, to the Carve-Out and the DIP Liens, each of the DIP Lender and the Prepetition Lender is entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the “equities of the case” exception shall not apply to any of the DIP Lender and Prepetition Lender with respect to the proceeds, products, rents, issues or profits of any of the DIP Collateral or the Prepetition Collateral, and no expenses of administration of the Chapter 11 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 DIP Collateral or the Prepetition Collateral under section 552(b) of the Bankruptcy Code. The Debtors irrevocably

waived, and agreed not to assert, any claim or right under section 552 of the Bankruptcy Code seeking to avoid the imposition of the DIP Liens, liens pursuant to the Prepetition Loan Documents, or the Adequate Protection Liens on any property acquired by any of the Debtors or any of their estates or, subject to the Carve-Out, seeking to surcharge any costs or expenses incurred in connection with the preservation, protection, or enhancement of, or realization by, the DIP Lender or the Prepetition Lender upon the DIP Collateral or the Prepetition Collateral, as applicable.

16. **Restrictions on Granting Post-Petition Liens.** Other than the Carve-Out, or as otherwise provided in this Final Order or the DIP Credit Agreement, no claim having a priority superior or *pari passu* with those granted by the Interim Order or this Final Order to the DIP Lender and Prepetition Lender shall be granted or permitted by any order of this Court entered in the Chapter 11 Cases, while any portion of the DIP Facility (or refinancing thereof), any loan under the DIP Facility, or any other obligations under the DIP Credit Agreement are outstanding. Except as expressly permitted by the DIP Loan Documents, the Debtors will not, at any time during the Chapter 11 Cases, grant mortgages, security interests, or liens in the DIP Collateral (or any portion thereof) to any other parties pursuant to section 364(d) of the Bankruptcy Code or otherwise.

17. **Ad Valorem Taxes.** Notwithstanding any other provisions included in the Interim Order or this Final Order, or any agreements approved hereby, any statutory liens (collectively, the "Texas Tax Liens"), including business personal property liens, of City of Mesquite, Dallas County, Fort Bend County WCID #2, Fort Bend County, Galveston County, Harris County, Irving Independent School District, Tarrant County, Texas City Independent School District, Richardson Independent School District, Plano Independent School District, Pasadena Independent School District, City of Houston, Clear Creek Independent School District, Dickinson Independent School

District, Brazoria County, City of Pearland, Brazoria County Drainage District #4, Brazoria County Special Road & Bridge Fund, Pearland Independent School District, Wichita Falls City, Wichita Falls Independent School District, Wichita County, City of Vernon, Wilbarger General Hospital, Vernon College, Vernon Independent School District, Lubbock Central Appraisal District, Dallam County Appraisal District, Dallam County, Stephens County, Collin County, and Collin County Tax Assessor (collectively, the “Texas Taxing Authorities”) shall not be primed by nor made subordinate to any liens granted to any party hereby to the extent such Texas Tax Liens are valid, senior, perfected, and unavoidable, and all parties' rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Texas Taxing Authorities are fully preserved.

18. **Chubb Reservation of Rights.** For the avoidance of doubt, (i) to the extent ACE American Insurance Company and/or any of its U.S.-based affiliates (collectively, and together with each of their successors, “Chubb”) had valid, enforceable, perfected, and non-avoidable liens and/or security interests on property (including Cash Collateral) of the Debtors as of the Petition Date, which liens and/or security interests were senior to the liens and/or security interests of the Prepetition Lender (collectively, the “Chubb Liens”), the Chubb Liens shall be senior to any liens and/or security interests granted pursuant to this Final Order; (ii) this Final Order does not grant the Debtors any right to use any property (or the proceeds thereof) held by Chubb as collateral to secure obligations under any insurance policies and related agreements; and (iii) nothing, including the DIP Documents and/or this Final Order, alters or modifies the terms and conditions of any insurance policies issued by Chubb and/or any agreements related thereto.

19. **Element Fleet.** Notwithstanding anything to the contrary in the Financing Motion, any interim order entered with respect to the Financing Motion, or this Final Order, the liens

granted to the DIP Lender shall be applicable to, and the collateral securing the Debtors' obligations to the DIP Lender shall only include, the Debtors' interest (including any reversionary interest), and shall not include Element's interest, in: (i) the Letter of Intent for Lease dated July 16, 2015 and the attached Motor Vehicle Fleet Open-End Lease Agreement Lease No(s). 3585, a true copy of which is attached as Exhibit 1 to the Element Objection at Docket No. 146 (the "Vehicle Lease"), (ii) the Master Services Agreement dated as of October 28, 2020, a true copy of which is attached as Exhibit 2 to the Element Objection at Docket No. 146 (together with related documents and amendments, the "MSA"), (iii) any vehicles leased by IEH under the Vehicle Lease (the "Leased Vehicles"), and (iv) any proceeds of or from any or all of the Vehicle Lease, the MSA, the Leased Vehicles or the disposition of the Leased Vehicles.

20. **Milestones**. It is a condition to the DIP Facility that the Debtors comply with the following deadlines (each of 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, and which consent shall be at the DIP Lender's sole discretion) (collectively, the "Milestones"). The failure to satisfy the following Milestones shall constitute an Event of Default in accordance with the terms of the DIP Credit Agreement and this Final Order.

a. The Bankruptcy Court shall have entered the Final Order by the date that is no later than March 7, 2023, which milestone has been extended to May 3, 2023 with the consent of the DIP Lender.

b. The Bankruptcy Court shall have entered an order approving the Sale by the date that is no later than May 21, 2023.

c. The Sale shall be consummated by the date that is no later than May 31, 2023.

d. A liquidating chapter 11 plan shall be consummated by the date that is no later than 90 days after consummation of the Sale.

21. **Automatic Effectiveness of Liens.** The DIP Liens and the Adequate Protection Liens automatically are deemed to be valid, perfected, enforceable, non-avoidable and effective by operation of law, and not subject to challenge as of the Petition Date, without the need for (x) filing any UCC-1 financing statements, security agreements, vehicle lien applications, filings with the U.S. Patent and Trademark Office, the United States Copyright Office, or the Library of Congress, state or federal notice, or any other similar instrument or document in any state or public record or office, (y) taking possession or control of any collateral, or (z) further action of any kind (including execution of any security agreements, mortgages, financing statements, collateral agreements, collateral trust agreements, deposit account control agreements, blocked account control agreements, securities account control agreements, or other collateral documents and agreements). All DIP Collateral is free and clear of other liens, claims and encumbrances, except the Permitted Prior Liens, Adequate Protection Liens, the Prepetition Liens, and any other liens expressly permitted under the Prepetition Loan Documents. If the DIP Lender or the Prepetition Lender hereafter reasonably requests that the Debtors execute and deliver to the DIP Lender or Prepetition Lender financing statements, security agreements, collateral assignments, or other instruments and documents considered by such agent to be reasonably necessary or desirable to further evidence the perfection of the DIP Liens or the Adequate Protection Liens, as applicable, the Debtors are hereby authorized to execute and deliver such financing statements, security agreements, collateral assignments, instruments, and documents, and the DIP Lender or Prepetition Lender, as applicable, is hereby authorized to file or record such documents in its discretion without seeking modification of the automatic stay under section 362 of the Bankruptcy Code, in

which event all such documents shall be deemed to have been filed or recorded at the time and on the date of entry of the Interim Order; provided that all financing statements, notices of liens or similar instruments filed by the Prepetition Lender shall conspicuously state that the Adequate Protection Liens are junior and subordinated to the DIP Liens.

22. **Remedies.** Upon the occurrence and during the continuance of any Event of Default (as defined in the DIP Credit Agreement), 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 in the DIP Credit Agreement); (b) issue a Carve-Out Notice (as defined above), (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) through (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, DIP Loan Documents, the Interim Order, or this Final Order, as applicable.

23. **Credit Bid**. Subject to the Challenge Period, and notwithstanding anything to the contrary in an order of this Court approving bidding procedures for any sale of the Debtors' assets:

- a. 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 Obligations and Prepetition Obligations, in whole or in part (including any known future DIP Obligations and/or Prepetition Obligations, as applicable, that will become outstanding prior to or in connection with the consummation of the credit bid), on a dollar-for-dollar basis, in connection with any sale or disposition of assets by the Debtors in these Chapter 11 Cases, and shall not be prohibited from making such credit bid "for cause" under section 363(k) of the Bankruptcy Code;
- b. In connection with any credit bid for any portion of the Debtors' assets by the Prepetition Lender and/or the DIP Lender (whether or not such bid also includes a cash component), the Prepetition Lender and/or DIP Lender, as applicable, shall not be required to (i) provide any information to the Debtors regarding the financial condition of the Prepetition Lender or DIP Lender or (ii) deposit any amounts with the Debtors prior to consummation of such bid;
- c. Such bid shall be a qualified bid, and the Prepetition Lender and/or DIP Lender, as applicable, (i) shall be qualified bidders for any auction for the

Debtors' assets and (ii) shall be entitled to participate as a bidder at such auction; and

- d. If, upon the expiration of any bid deadline approved by this Court, the DIP Lender and the Prepetition Lender shall have declined to submit a bid for any portion of the Debtors' assets (such portion of the Debtors' assets not included in any bid by the Prepetition Lender or DIP Lender or later removed from any bid by the Prepetition lender or DIP Lender, the "Excluded Assets"), then (i) the Debtors, within one Business Day of the expiration of such bid deadline, shall provide to DIP Lender copies of all bids which cover solely Excluded Assets, (ii) the DIP Lender shall have a consent right for the Debtors' selection of the baseline bid for bids that cover solely Excluded Assets, and (iii) the DIP Lender shall have a consent right to the Debtors' selection of a winning bidder for any bid covering solely Excluded Assets.

24. **Proofs of Claim.** The Prepetition Lender is not be required to file proofs of claim in any of these Chapter 11 Cases. The stipulations in Paragraph D of this Final Order are deemed to constitute a timely-filed proof of claim for the Prepetition Lender in respect of the Prepetition Obligations. However, in order to facilitate the processing of claims, to ease the burden upon the Court and to reduce an unnecessary expense to the Debtors' estates, the Prepetition Lender is authorized, at any time and notwithstanding any other Order of this Court setting the time by which proofs of claim must be filed, to file in the Debtors' lead Chapter 11 Case for IEH Auto Parts Holding LLC, Case No. 23-90054 (CML), a master proof of claim on behalf of the Prepetition Lender on account of any and all off its claims arising under the Prepetition Loan Documents and

hereunder (a “Master Proof of Claim”) against each of the Debtors. Upon the filing of a Master Proof of Claim by the Prepetition Lender, it shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against each of the Debtors of any type or nature whatsoever with respect to the applicable security documents, and the claim of the Prepetition Lender (and each of its respective successors and assigns) named in a Master Proof of Claim shall be treated as if it had filed a separate proof of claim in each of these Chapter 11 Cases. In addition, the DIP Lender and the DIP Secured Parties will not be required to file any request for allowance and/or payment of any administrative expenses. This Final Order constitutes a timely filed request for allowance and/or payment of any Prepetition Obligations constituting administrative expenses or any DIP Obligations, as applicable.

25. **Fiduciary Duties.** Notwithstanding anything to the contrary in the DIP Term Sheet, DIP Loan Documents, the Interim Order, this Final Order, or any other document, order, or instrument, nothing in the DIP Term Sheet, DIP Credit Agreement, 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 the DIP Term Sheet, DIP Credit Agreement, or the Financing Orders, this provision will control.

26. **Honoring of Disbursements.** 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.

27. **Disbursement Handling Procedures.** 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 Final 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 Final 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 Final Order.

28. **No Obligation to Pay Professional Fees.** Nothing in this Final Order 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, except to the extent provided in the 9019 Order.

29. **Conflict with 9019 Order.** If there is any conflict between the terms of this Final Order and the terms of the 9019 Order, the terms of the 9019 Order shall apply to give full force and effect to the settlement agreement of the parties set forth in the 9019 Motion and approved by the 9019 Order.

30. **Survival.** The provisions of this Final 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 Final Order shall continue in full force notwithstanding any such order.

31. **Immediate Effect.** 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 Final Order is immediately effective and enforceable upon its entry. There is no stay of execution or effectiveness of this Final Order.

32. **Further Actions.** The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

33. **Retention of Jurisdiction.** This Court has exclusive jurisdiction with respect to any and all disputes or matters under, or arising out of or in connection with, either the DIP Facility or the Loan Documents. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Dated: _____, 2023

UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

DIP Credit Agreement

[Forthcoming]

Exhibit 2

Approved Budget

Third Approved Budget | March 23, 2023 (continued)



Cash Flow Forecast | May 8, 2023 – July 16, 2023

	Forecast Post-Petition 5/14/2023	Forecast Post-Petition 5/21/2023	Forecast Post-Petition 5/28/2023	Forecast Post-Petition 6/4/2023	Forecast Post-Sale 6/11/2023	Forecast Post-Sale 6/18/2023	Forecast Post-Sale 6/25/2023	Forecast Post-Sale 7/2/2023	Forecast Post-Sale 7/9/2023	Forecast Post-Sale 7/16/2023	24-week Total	Forecast Post-Sale Administrative Claims	Forecast Post-Sale Plan of Liquidation
Total Revenue	\$ 14,297,267	\$ 14,297,267	\$ 9,531,511	\$ 10,983,203	\$ 16,474,804	\$ 16,474,804	\$ 10,983,203	\$ 8,820,401	\$ 14,700,669	\$ 14,700,669	\$ 270,189,227	\$ -	\$ -
Net Cash Receipts	\$ 11,605,813	\$ 12,434,800	\$ 10,789,866	\$ 11,936,196	\$ 11,654,294	\$ 11,654,294	\$ 9,436,196	\$ 10,873,371	\$ 16,310,056	\$ 16,310,056	\$ 267,132,195	\$ -	\$ -
Methodology Disbursements													
Employee Wages & Benefits	\$ 567,755	\$ 4,439,419	\$ 495,973	\$ 4,409,112	\$ 567,755	\$ 4,439,419	\$ 495,973	\$ 4,409,112	\$ 567,755	\$ 4,439,419	\$ 65,910,999	\$ -	\$ -
Employee Bonus	-	-	-	172,544	-	188,400	-	-	-	172,544	1,123,472	-	-
Rent & Utilities	135,028	126,791	97,136	4,759,637	78,337	104,265	71,395	4,743,381	60,332	73,174	23,050,996	-	-
Insurance	-	-	-	328,764	-	-	-	328,764	-	-	3,770,301	-	-
IT & Communications	146,791	263,712	518,392	243,763	167,935	503,965	543,550	380,615	141,791	263,712	6,987,580	-	-
Taxes	125,369	1,151,114	-	258,980	-	-	950,000	-	-	-	5,461,547	-	-
Total Methodology Disbursements	\$ 974,943	\$ 5,981,036	\$ 1,111,501	\$ 10,172,799	\$ 814,026	\$ 5,236,048	\$ 2,060,917	\$ 9,861,872	\$ 769,877	\$ 4,948,848	\$ 106,304,894	\$ -	\$ -
Non-Methodology Disbursements													
Merchandise (CIA)	\$ 5,309,026	\$ 5,193,574	\$ 3,871,964	\$ 4,071,527	\$ 9,395,069	\$ 10,239,339	\$ 6,933,752	\$ 7,149,582	\$ 7,542,909	\$ 6,792,834	\$ 116,263,736	\$ -	\$ -
Merchandise (Terms)	682,962	482,735	522,610	841,678	599,936	653,798	993,178	705,255	794,955	1,011,110	9,236,381	-	-
Transportation	885,030	844,877	685,866	528,758	562,437	521,044	658,616	520,115	561,055	520,115	15,644,759	-	-
Purchasing Cards	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	12,648,118	-	-
Ocean Freight	38,462	38,462	38,462	169,791	38,462	38,462	38,462	218,918	38,462	38,462	2,803,614	-	-
Contractors	219,985	143,549	119,597	88,027	219,985	143,549	119,597	88,027	219,985	143,549	3,310,558	-	-
Ordinary Course Professionals	197,790	73,116	38,640	124,983	49,795	73,116	38,222	124,983	49,795	73,116	1,457,284	-	-
Other G&A	584,142	546,318	524,279	446,827	767,471	354,553	344,242	297,799	578,788	236,183	12,216,953	-	-
Total Non-Methodology Disbursements	\$ 8,917,397	\$ 8,322,630	\$ 6,801,416	\$ 7,271,592	\$ 12,633,155	\$ 13,023,861	\$ 10,127,073	\$ 10,104,680	\$ 10,785,948	\$ 9,815,370	\$ 182,581,403	\$ -	\$ -
Operating Cash Flow	\$ 1,713,474	\$ (1,868,867)	\$ 2,876,949	\$ (5,508,195)	\$ (1,792,887)	\$ (6,605,615)	\$ (2,751,794)	\$ (9,093,181)	\$ 4,754,230	\$ 1,645,838	\$ (21,754,103)	\$ -	\$ -
Cumulative Operating Cash Flow	(3,310,581)	(5,179,447)	(2,302,498)	(7,810,693)	(9,603,580)	(16,209,195)	(18,960,989)	(28,054,171)	(23,299,940)	(21,754,103)	(21,754,103)	\$ -	\$ -
Non-Operating Disbursements													
D&O	\$ -	\$ -	\$ -	\$ 112,415	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,415	\$ -	\$ -
CapEx	226,218	226,218	226,218	226,218	-	-	-	-	-	-	2,597,609	-	-
Position	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	10,000,000	-	-
Commitment	-	-	-	70,000	-	-	-	-	-	-	210,000	-	-
Collateral	-	-	-	-	-	-	-	-	-	-	1,200,000	-	-
Customs Bond	-	-	-	-	-	-	-	-	-	-	900,000	-	-
Total Non-Operating Disbursements	\$ 1,226,218	\$ 1,226,218	\$ 1,226,218	\$ 1,408,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,020,024	\$ -	\$ -
Restructuring Costs													
Total Professional Fees	\$ 975,000	\$ -	\$ 768,000	\$ 600,000	\$ -	\$ 1,110,000	\$ 1,154,667	\$ -	\$ -	\$ (469,000)	\$ 9,418,499	\$ -	\$ 1,000,000
Other Restructuring Costs													
U.S. Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 100,000
Utilities Deposit	-	-	-	-	-	-	-	-	-	-	249,820	-	(634,000)
Critical Vendor	-	-	-	-	-	-	-	-	-	-	1,527,493	-	-
Foreign Vendor	-	-	-	-	-	-	-	-	-	-	5,783,031	-	-
Shipperman's	-	-	-	-	-	-	-	-	-	-	6,528,096	-	-
503(b)(9)	-	-	-	-	-	-	-	-	-	-	2,748,855	14,251,145	-
DIP Financing Fee	-	-	-	-	-	-	-	-	-	-	250,000	-	-
Independent Director	-	-	-	50,000	-	-	-	-	-	-	100,000	-	150,000
Other Restructuring Costs	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,437,295	\$ 14,501,145	\$ (384,000)
Total Restructuring Costs	\$ 975,000	\$ -	\$ 768,000	\$ 650,000	\$ -	\$ 1,110,000	\$ 1,154,667	\$ -	\$ -	\$ (469,000)	\$ 26,855,794	\$ 14,501,145	\$ 616,000
Total Disbursements	\$ 12,093,557	\$ 15,529,884	\$ 9,907,135	\$ 19,503,024	\$ 13,447,182	\$ 19,369,909	\$ 13,342,658	\$ 19,966,552	\$ 11,555,826	\$ 14,295,218	\$ 330,762,116	\$ 14,501,145	\$ 616,000
Beginning Cash (Book)	\$ 6,132,103	\$ 5,644,358	\$ 2,549,274	\$ 3,432,005	\$ 30,865,177	\$ 29,072,290	\$ 21,356,675	\$ 17,450,214	\$ 8,357,033	\$ 13,111,263	\$ 3,756,022	\$ 15,126,101	\$ 624,956
Net Cash Flow	(487,744)	(3,095,084)	882,731	(7,566,828)	(1,792,887)	(7,715,615)	(3,906,461)	(9,093,181)	4,754,230	2,014,838	(63,629,921)	(14,501,145)	(616,000)
DIP Draw (Repayment)	-	-	-	35,000,000	-	-	-	-	-	-	75,000,000	-	-
Ending Cash (Book)	\$ 5,644,358	\$ 2,549,274	\$ 3,432,005	\$ 30,865,177	\$ 29,072,290	\$ 21,356,675	\$ 17,450,214	\$ 8,357,033	\$ 13,111,263	\$ 15,126,101	\$ 15,126,101	\$ 624,956	\$ 8,956
Debt Rollforward													
Beginning DIP Balance	\$ 40,469,005	\$ 40,469,005	\$ 40,469,005	\$ 40,469,005	\$ 76,863,799	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Draw (Repayment)	-	-	-	35,000,000	(76,863,799)	-	-	-	-	-	(1,863,799)	-	-
Exit Fee	-	-	-	1,125,000	-	-	-	-	-	-	1,125,000	-	-
Interest	-	-	-	269,793	-	-	-	-	-	-	738,799	-	-
Ending DIP Balance	\$ 40,469,005	\$ 40,469,005	\$ 40,469,005	\$ 76,863,799	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIP Availability	35,000,000	35,000,000	35,000,000	35,000,000	-	-	-	-	-	-	75,000,000	-	-
DIP Commitment	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ 75,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000,000	\$ -	\$ -
Pre-Petition Loan	\$ 189,644,560	\$ 189,644,560	\$ 189,644,560	\$ 189,644,560	\$ 190,197,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 187,994,803	\$ -	\$ -
Interest	-	-	-	553,130	-	-	-	-	-	-	2,202,887	-	-
Repayment	-	-	-	-	(190,197,690)	-	-	-	-	-	(190,197,690)	-	-
Ending Pre-Petition Loan Balance	\$ 189,644,560	\$ 189,644,560	\$ 189,644,560	\$ 190,197,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -