

**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> , <sup>1</sup>	)	Case No. 23-90054 (CML)
	)	
Wind-Down Debtors.	)	(Jointly Administered)

**SUMMARY COVER SHEET TO THE FIRST AND FINAL FEE APPLICATION OF  
B. RILEY ADVISORY & VALUATION SERVICES, LLC DBA B. RILEY ADVISORY  
SERVICES AS INVENTORY VALUATION AND APPRAISAL ADVISOR TO THE  
DEBTORS AND DEBTORS IN POSSESSION FOR THE FEE PERIOD FROM  
MARCH 6, 2023 THROUGH JUNE 16, 2023**

<b>Name of Applicant:</b>	B. Riley Advisory & Valuation Services, LLC dba B. Riley Advisory Services	
<b>Applicant’s Role in Case:</b>	Inventory Valuation and Appraisal Advisor to Debtors and Debtors in Possession	
<b>Docket No. of Employment Order(s):</b>	Docket No. 447	
<b>Nature of Fee Arrangement:</b>	Flat fee for services rendered	
<b>Interim Application ( ) No. ___</b> <b>Final Application (X)</b>	First and Final	
	<b>Beginning Date</b>	<b>End Date</b>
<b>Time period covered by this Application for which interim compensation has not previously been awarded:</b>	March 6, 2023	June 16, 2023
<b>Were the services provided necessary to the administration of or beneficial at the time rendered toward the completion of the case? Yes</b>		

<sup>1</sup> The Wind-Down 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 Wind-Down Debtors' service address is: 5330 Carmel Crest Lane, Charlotte, North Carolina 28226.



<b>Were the services performed in a reasonable amount of time commensurate with the complexity, importance and nature of the issues addressed? Yes</b>	
<b>Is the requested compensation reasonable based on the customary compensation charged by comparably skilled practitioners in other non-bankruptcy cases? Yes</b>	
<b>Do expense reimbursements represent actual and necessary expenses incurred? Yes</b>	
<b>Compensation Breakdown for Time Period Covered by this Application</b>	
<b>Total fees requested in this Application:</b>	\$55,000.00
<b>Total expense reimbursements requested in this Application:</b>	\$6,218.73
<b>Total fees and expenses requested in this Application:</b>	\$61,218.73
<b>Total fees awarded in all prior Applications:</b>	\$0.00
<b>Total expenses awarded in all prior Applications</b>	\$0.00
<b>Plan Status:</b> On June 16, 2023, the Court entered its Order Confirming the First Amended Combined Disclosure Statement and Joint Plan of Liquidation of IEH Auto Parts Holding LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 749]. The Effective Date of the Plan occurred on October 6, 2023.	
<b>Primary Benefits:</b> B. Riley Advisory & Valuation Services, LLC (i) provided projections of the gross and net inventory liquidation value of the Debtors' inventory based upon a properly conducted Store Closing/Going Out of Business or Total Liquidation sale, (ii) assessed the efficiency, accuracy, and responsiveness of the Debtors' inventory reporting systems and management's use of same for decision making, (iii) reviewed the Debtors' processes for determining over- versus understock inventory positions as well as slow moving and underperforming inventory, and (iv) performed recovery valuations to form the basis of recommended advance rates. The Debtors required these services in connection with their efforts to source exit financing from a new lender.	

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

**FIRST AND FINAL FEE APPLICATION OF B. RILEY ADVISORY & VALUATION SERVICES, LLC DBA B. RILEY ADVISORY SERVICES AS INVENTORY VALUATION AND APPRAISAL ADVISOR TO THE DEBTORS AND DEBTORS IN POSSESSION FOR THE FEE PERIOD  
FROM MARCH 6, 2023 THROUGH JUNE 16, 2023**

**If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txsb.uscourts.gov/> within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.**

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<sup>1</sup> The Wind-Down 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 Wind-Down Debtors’ service address is: 5330 Carmel Crest Lane, Charlotte, North Carolina 28226.

Pursuant to Sections 327 and 328 of chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rules 2014-1 and 2016-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”) and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 264] (the “Interim Compensation Order”), B. Riley Advisory & Valuation Services, LLC dba B. Riley Advisory Services (“BRAVS”), as inventory valuation and appraisal advisor for the debtors in these chapter 11 cases (the “Debtors” and after the effective date of the Plan, the “Wind-Down Debtors”), hereby submits this first and final fee application (this “Application”) seeking final allowance of compensation for the professional advisory services that BRAVS rendered as inventory valuation and appraisal advisor for the Debtors, in the total amount of \$55,000.00, plus \$6,218.73 in expense reimbursement, in each case incurred during the post-petition period, from March 6, 2023 through June 16, 2023 (the “Application Period”). In further support hereof, BRAVS respectfully represent as follows:

## **I. JURISDICTION**

1. The United States Bankruptcy Court for the Southern District of Texas has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for the relief requested herein are sections 327(a) and 328(a) of title 11 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Bankruptcy Local Rules 2014-1 and 2016-1.

## II. PROCEDURAL BACKGROUND

4. On January 31, 2023 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continued in possession of their property and management of their business as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

5. A description of the Debtors’ businesses, the reasons for commencing the chapter 11 cases, and the relief sought from the Court to allow for a smooth transition into chapter 11 are set forth in the *Declaration of Michael Neyrey In Support of Debtors’ Chapter 11 Petitions and First Day Motions*, filed on February 1, 2023, [Docket No. 24] and incorporated herein by reference.

6. On March 27, 2023, the Court entered the Interim Compensation Order, which sets forth the procedures for interim compensation and reimbursement of expenses for all professionals in these cases.

7. On April 5, 2023, the Debtors filed the *Debtors’ Application for Entry of an Order Authorizing the Retention and Employment of B. Riley Advisory & Valuation Services as the Debtors’ Inventory Valuation and Appraisal Advisors* [Docket No. 338] (the “Retention Application”).

8. On May 1, 2023, the Court entered the *Order Authorizing the Retention and Employment of B. Riley Advisory Services as the Debtors’ Inventory Valuation And Appraisal Advisor* [Docket No. 447] (the “Retention Order”).

9. On June 16, 2023, the Court entered an order [Docket No. 749] (the “Confirmation Order”) confirming the *Third Amended Combined Disclosure Statement and Joint Plan of Liquidation of IEH Auto Parts Holding LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 738] (the “Plan”).

10. On October 6, 2023, the effective date of the Plan occurred. *See* [Docket No. 922].

### III. BRAVS'S RETENTION

11. At the outset of these cases, the Debtors determined that they would require the assistance of experienced inventory valuation and appraisal advisor to help them navigate the many complex issues they knew would arise in connection with these chapter 11 cases. The Debtors chose BRAVS as their inventory valuation and appraisal advisor because, among other reasons, BRAVS is a leading provider of appraisal and valuation services, and has, along with its affiliates, more than 150 professionals in the valuation and disposition space. BRAVS is one of the leading national asset appraisers to debtors, unsecured and secured creditors, acquirers, and other parties-in-interest involved with financially troubled companies both in and outside of bankruptcy. BRAVS has considerable experience valuing inventory involving financially distressed companies of all sizes across a wide array of industries and values, on a combined basis, an average of over 1,000 unique companies annually, representing in excess of \$80 billion of book value.

12. The Debtors hired BRAVS to maximize recovery to all of the Debtors' stakeholders during these cases. The Debtors, on the one hand, and BRAVS, on the other hand, entered into an engagement agreement dated March 6, 2023 (the "Engagement Agreement"),<sup>2</sup> attached hereto as **Exhibit A**.

13. The Debtors requested that the Court authorize the employment and retention of BRAVS as inventory valuation and appraisal advisor to provide the following services (collectively, the "Services"):

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<sup>2</sup> Capitalized terms not defined herein shall have the meaning set forth in the Engagement Agreement or the Retention Order (defined below).

- (i) Provide the Debtors and its lender with a projection of gross and net inventory liquidation value of the Debtors' inventory based upon a properly conducted Store Closing/Going Out of Business or Total Liquidation "Sale."
- (ii) Analyze the Debtors' inventory reporting system in order to assess the net recovery:
  - 1) Asses the efficiency, accuracy and responsiveness of the current system and management's use of the system for decision making.
  - 2) Review the process of determining understock and overstock inventory positions as well as slow moving and underperforming inventory
- (iii) Perform recovery valuations and such values will be the basis of recommended advance rates. Valuations will consider the following objective criteria:
  - 1) Inventory turnover by merchandise category.
  - 2) Maintained gross margin by merchandise category.
  - 3) Inventory mix and sales mix.
  - 4) Relationship inventory to sales volume.
  - 5) Balance of assortment of inventory.
  - 6) Review of condition of inventory.

14. The Debtors requested that the Court authorize them to compensate BRAVS for its Services in accordance with the terms set forth in the Engagement Agreement. Pursuant to the Engagement Agreement, the Debtors and BRAVS agreed that BRAVS would be paid as follows (the "Fee Structure"): \$55,000 plus out of pocket costs including but not limited to travel and other administrative expenses, including report printing and production field consultants, telecommunications, supplies, shipping, insurance, research materials, and other related incidental costs payable as follows: \$27,500 due upon acceptance of the engagement and balance due prior to any verbal values, drafts, or final report.

15. The Fee Structure is comparable to compensation generally charged by appraisers of similar stature to BRAVS for comparable engagements, both in and out of bankruptcy. The

Debtors and BRAVS had engaged in arms-length negotiations regarding the Fee Structure and, after extensive negotiations and after taking into consideration the scope of Services BRAVS was expected to undertake, the market prices for BRAVS's Services for engagements of this nature, among other things, parties reached an agreement and the Debtors represented to the Court that they believed that the terms and conditions of the Engagement Agreement were reasonable and appropriate under the standards set forth in section 328(a) of the Bankruptcy Code.

16. Requiring BRAVS to file detailed time records and periodic fee applications in accordance with section 330 and 331 of the Bankruptcy Code and in compliance with Bankruptcy Rule 2016 and the information requirements relating to compensation requests set forth in the U.S. Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 (the "Fee Guidelines") is unnecessary under the circumstances because BRAVS's compensation was result-oriented and directly related to benefits received by the Debtors' estates. The Debtors support this conclusion.

17. Accordingly, the Debtors requested in the Retention Application that the Court waive the reporting requirements set forth in section 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016 and the Fee Guidelines. The Debtors reasoned that BRAVS was retained pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, and it is standard practice in BRAVS's industry for professionals providing appraisal and valuation services to be compensated on a flat fee percentage basis, rather than on an incremental hourly basis. Additionally, BRAVS was employed to perform highly specialized, discrete tasks and, accordingly, were not being compensated based upon time and effort expended. Instead, BRAVS was to be compensated based on a flat fee basis for the Services. The Debtors also explained in the Retention Application that requiring BRAVS to record and submit detailed time entries in light of the transactional nature of



the services to be rendered by BRAVS and the flat fee percentage structure would be unnecessary and burdensome to BRAVS under the circumstances.

18. Pursuant to the Retention Order, and in accordance with sections 327 and 328 of the Bankruptcy Code, the Debtors were authorized to retain and employ BRAVS as their inventory valuation and appraisal advisor, effective as of March 6, 2023, on the terms and conditions set forth in the Retention Application and Engagement Agreement, as modified by the Retention Order. The Retention Order provided that all of BRAVS's compensation as set forth in the Engagement Agreement, including, without limitation, the Services fees and payment of the Retainer on a post-petition basis, is approved pursuant to section 328(a) of the Bankruptcy Code, as modified by the Retention Order.

19. Additionally, the Retention Order provided that BRAVS would be excused from (a) the requirement to maintain or provide detailed time records for the Services, and for Services rendered post-petition, and (b) providing and conforming to any schedule of hourly rates.

20. The Retention Order also provided that BRAVS would not be required to file monthly or interim fee applications. However, BRAVS would have to file a final fee application for approval of fees and expenses and would be compensated and reimbursed pursuant to Bankruptcy Code Section 328(a), and not under the standard set forth in Bankruptcy Code Section 330, except as provided in paragraph 6 of the Retention Order.

#### **IV. RELIEF REQUESTED**

21. Pursuant to this Application, for the reasons stated herein, BRAVS seeks final allowance of fees in the total amount of \$55,000.00 for services rendered on behalf of the Debtors during the Application Period.<sup>3</sup>

22. The compensation requested by BRAVS is consistent with the terms of the Retention Order. BRAVS further submits that the Fee Structure set forth in the Engagement Agreement is reasonable in light of, among other things, (a) industry practice, (b) market rates charged for comparable services by BRAVS and other appraisal professionals both in and out of the chapter 11 context, and (c) BRAVS's substantial experience with respect to inventory valuation and appraisal advisory services.

23. In addition, all Services for which compensation is requested by BRAVS pursuant to this Application were performed for or on behalf of the Debtors. BRAVS has not received payment and/or promises for payment from any source other than the Debtors for Services rendered during the Application Period in connection with the Debtors' chapter 11 cases. There exists no agreement or understanding between BRAVS and any other person for the sharing of any compensation to be received for Services rendered by BRAVS in the Debtors' chapter 11 cases.

#### **V. BASIS FOR RELIEF AND SUMMARY OF PROFESSIONAL SERVICES PROVIDED BY BRAVS**

24. During the post-petition period, BRAVS rendered all of the Services, as requested by the Debtors and outlined in, and in accordance with, the Engagement Agreement and Retention Order. The Debtors required these services in connection with their efforts to source

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<sup>3</sup> The Debtors have already paid BRRE 100% of the final fees requested pursuant to the Retention Order. Accordingly, by this Fee Application, BRRE seeks only allowance, and not payment, of the fees incurred during the Application Period.

exit financing from a new lender. BRAVS's diligence, hard work, numerous hours, and extensive Services performed for the Debtors during the Application Period helped the Debtors understand the value of their assets and the current state of its inventory reporting system and the assisted the Debtors in assessing their options while in and for emergence from chapter 11.

25. For the efforts expended and the result achieved, BRAVS seeks final approval of compensation in the amount of \$55,000.00 in professional fees incurred, plus \$6,218.73 in reimbursement for expenses incurred, from March 6, 2023 through June 16, 2023.

26. A summary of the fees invoiced and paid is attached hereto as **Exhibit B**. A copy of the invoice that BRAVS sent to the Debtors during the Application Period is attached as **Exhibit C** attached hereto.

27. As of the date of this Application, the Debtors have paid BRAVS \$55,000.00 for Services rendered, plus \$6,218.73 in expense reimbursement, during the Application Period. BRAVS is not owed any additional fees for the Application Period.

28. Section 328(a) of the Bankruptcy Code provides the trustee, or a committee appointed under section 1102, with the court's approval, may employ or authorize the employment of a professional person under section 327 or 1103, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. 11 U.S.C. § 328(a). Section 328 also states:

. . . the court may allow compensation different from the compensation provided under such terms and conditions after the conclusion of such employment, if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.

11 U.S.C. § 328(a).

29. BRAVS's post-petition work on behalf of the Debtors was critical to support the Debtors' chapter 11 cases, which culminated in the Plan being confirmed. The foregoing professional Services performed by BRAVS were appropriate and necessary. BRAVS charged and billed, and was paid for, its fees in accordance with the Engagement Agreement and the Retention Order. The total fees for which BRAVS seeks approval are reasonable in light of, among other things, (a) the nature and scope of the Services provided, (b) industry practice, (c) market rates charged for comparable services both in and out of the chapter 11 context, and (d) BRAVS's substantial experience with respect to inventory valuation and appraisal advisory services. BRAVS also respectfully submits that such fees are reasonable based upon the customary compensation charged by similarly skilled professionals in comparable bankruptcy cases and non-bankruptcy matters in the competitive appraisal market.

BRAVS requests that the Court enter an order: (a) granting the final allowance of compensation for professional Services rendered and reimbursement of expenses incurred during the Application Period in the amount of \$61,218.73; and (b) granting such other and further relief as the Court deems to just and proper.

Dated: November 17, 2023

*/s/ Bill Soncini*

Bill Soncini

National Marketing Manager

B. Riley Advisory & Valuation Services, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that on the 17th day of November 2023, a copy of the foregoing was served via the Court's ECF system upon all parties receiving notice through same.

*/s/ Veronica A. Polnick* \_\_\_\_\_

Veronica A. Polnick

**EXHIBIT A**

**Engagement Agreement**

# **B | RILEY**® *Advisory Services*

Via Email: [Mneyrey@autoplusap.com](mailto:Mneyrey@autoplusap.com)

March 6, 2023

Michael Neyrey  
CEO  
IEH Auto Parts LLC dba Auto Plus  
112 Townpark Drive, Suite 300  
Kennesaw, GA 30144

**Proposal Letter**  
**Inventory Valuation and Appraisal**  
**IEH Auto Parts LLC dba Auto Plus**

Dear Michael:

We are pleased to submit our proposal to IEH Auto Parts LLC dba Auto Plus (the "Client" or "Company") concerning the Inventory Valuation and Appraisal you have asked B. Riley Advisory & Valuation Services, LLC dba B. Riley Advisory Services ("B. Riley") to undertake.

For your convenience, we have organized our proposal in the following sections:

- ***Objectives***
- ***Approach and Scope***
- ***Timing***
- ***Fees and Costs***
- ***Terms and Conditions***

## **Objectives**

Our objective will be to provide IEH Auto Parts LLC dba Auto Plus and its lender with the following:

1. A projection of gross and net inventory liquidation value of the Company's inventory based upon a properly conducted Store Closing/Going Out of Business or Total Liquidation "Sale." The **Net Orderly Liquidation Value ("NOLV")** will include gross proceeds from the sale of inventory and deduction of all costs and fees necessary to liquidate the complete inventory. Furthermore, our report will include an explanation of how the analysis was developed and inherent assumptions associated with liquidation scenarios.
2. Analyze the Company's inventory reporting system in order to assess the net recovery:

CORPORATE HEADQUARTERS  
30870 Russell Ranch Road, Suite 250  
Westlake Village, CA 91362  
(818) 884-3737

Michael Neyrey  
IEH Auto Parts LLC dba Auto Plus  
March 6, 2023  
Page 2

- Assess the efficiency, accuracy and responsiveness of the current system and management's use of the system for decision making.
  - Review the process of determining understock and overstock inventory positions as well as slow moving and underperforming inventory
3. Perform recovery valuations and such values will be the basis of recommended advance rates. Valuations will consider the following objective criteria:
- Inventory turnover by merchandise category
  - Maintained gross margin by merchandise category
  - Inventory mix and sales mix
  - Relationship inventory to sales volume
  - Balance of assortment of inventory
  - Review of condition of inventory

### **Approach and Scope**

We plan to address the objectives through analysis of inventory reports, walkthrough of existing inventory and management reports and systems and an on-site visit and inspection of a representative number of stores and the distribution centers. As appropriate and after our visits and analysis of the financial and operating data, we will conduct management discussions with key executives.

### **Timing**

The following table illustrates our proposed schedule:

Acceptance of Proposal	3/6/2023
Information Request to Company	Complete
Receipt of Deposit	3/8/2023
Information Due from the Company	3/8/2023
Due Diligence and Field Visit Commence	Week of TBD
Final Report Delivered	3/31/2023

We understand the need for timely reporting and therefore will coordinate all work with the designated IEH Auto Parts LLC dba Auto Plus executives in order to ensure this objective. Our ability to meet our deadlines is predicated upon the Company's ability to provide detailed financial data and to discuss business operations with B. Riley personnel in a timely manner.



Michael Neyrey  
IEH Auto Parts LLC dba Auto Plus  
March 6, 2023  
Page 3

### **Fees and Costs**

Our fee for the Inventory Valuation described above will be \$55,000 plus out of pocket costs including but not limited to travel and other administrative expenses, including report printing and production, field consultants, telecommunications, supplies, shipping, insurance, research materials, and other related incidental costs payable as follows: \$27,500 due upon acceptance of the engagement and balance due prior to any verbal values, drafts, or final report.

### **Wiring Instructions:**

B. Riley Advisory & Valuation Services, LLC  
Reference: IEH Auto Parts LLC dba Auto Plus  
Wells Fargo Bank  
ABA #: 121000248  
Account #: 4442148946

B. Riley's Appraisal report will include an explanation of valuation methodology, Company and valuation overviews, a description of the probable liquidation scenarios, and possible liquidation strategies along with projected timelines. B. Riley's Appraisal will be prepared in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) as promulgated by the Appraisal Standards Board (ASB) of the Appraisal Foundation.

If there is a change in the scope of the Valuation from what is stated above, B. Riley reserves the right to renegotiate the fee of this engagement.

### **Terms and Conditions**

The Valuation is intended for use only for the purpose(s) described herein. The Valuation conclusions may be invalid if used for any other purpose.

The Valuation will be prepared in conformity with the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Principles of Appraisal Practice, Code of Ethics and Conduct as administered by the American Society of Appraisers, and appropriate financial reporting and/or tax reporting guidance as put forward by the Mandatory Performance Framework.

The Valuation will be subject to B. Riley's standard limitations and statement of conditions. The contents of the Valuation report are to be considered confidential and for the use of the Client only. The contents of the Valuation will not be transmitted to any third party without the express written consent of B. Riley. The Client may disclose a complete copy of our report to its audit, tax or legal advisors. However, no third party shall have the right of reliance on the report, and neither receipt nor possession of the report by any third party shall create any express or implied third-party beneficiary rights.

Michael Neyrey  
IEH Auto Parts LLC dba Auto Plus  
March 6, 2023  
Page 4

B. Riley is not an auditor, accountant, or expert in the preparation of financial statements. Pursuant to this engagement, B. Riley has neither been requested by the Client to assist, and is not assisting, the Company or its auditors in the preparation of the Company's financial statements. Furthermore, B. Riley has neither been requested by the Client to advise, and is not advising the Company, as to whether its financial statements comply with applicable accounting or legal requirements including, but not limited to, generally accepted accounting principles.

It is an expressed condition of this Valuation that B. Riley as well as its consultants and/or advisors are neither required to give testimony nor appear in court or before any regulatory body or agency regarding the Valuation, unless arrangements are made herein. Any service in this connection would be at additional cost.

B. Riley's maximum liability to the Client, in the aggregate, arising for any reason out of or relating to this engagement, whether a claim in tort, contract, or otherwise, shall be limited to the amount of fees paid by the Client to B. Riley under this engagement letter for these services, except to the extent such liability is finally determined to have been caused by gross negligence or intentional misconduct of B. Riley or its personnel.

The Client hereby agrees to indemnify and hold harmless B. Riley, its affiliates, and their respective directors, officers, agents, employees, consultants, successors and assigns (collectively, "Indemnified Persons" and individually, an "Indemnified Person") from and against any and all claims, liabilities, losses, damages and expenses incurred by any Indemnified Person (including fees and disbursements of counsel) which:

(A) are related to or arise out of (i) actions taken or omitted to be taken (including any untrue statements made or any statement omitted to be made) by the Client or (ii) actions taken or omitted to be taken by an Indemnified Person with the Company's consent or in conformity with the Company's instructions or the Company's actions or omissions; or

(B) are otherwise related to or arise out of this engagement.

The Client will reimburse B. Riley and any other Indemnified Person for all costs and expenses, including fees of counsel, as they are incurred, in connection with investigating, preparing for, or defending any action, formal or informal claim, investigation, inquiry or proceeding. The Client will not, subject to the following paragraph, be responsible for any claims, liabilities, losses, damages, or expenses pursuant to clause (B) of the preceding sentence which are finally judicially determined to have resulted primarily from B. Riley's bad faith, willful misconduct, or gross negligence.

B. Riley shall indemnify Auto Plus and each of its officers, directors, and members (collectively, the "Auto Plus Indemnitees") and hold them harmless from and against all losses, damages, liabilities, obligations, or reasonable out-of-pocket costs or expenses, including without limitation, reasonable attorneys' fees and reasonable costs and expenses of investigation (collectively, "Losses"), arising out of or resulting from third-party claims made against any Auto Plus Indemnitee relating to injury or physical damage to person or property caused by B. Riley or its employees, agents, or contractors; provided, however, that B. Riley shall not be responsible, pursuant to the preceding sentence, for any Losses that are finally judicially determined to have resulted primarily from Auto Plus's or any Auto Plus Indemnitee's bad faith, willful misconduct, or gross negligence.

Michael Neyrey  
IEH Auto Parts LLC dba Auto Plus  
March 6, 2023  
Page 5

This Agreement shall in all respects be governed by, and construed in accordance with the laws of the State of California. Any dispute that is not settled to the mutual satisfaction of the Parties within the applicable notice or cure periods (if any) provided in this Agreement shall be resolved by arbitration between the Parties in accordance with the American Arbitration Association. No form of discovery, including but not limited to interrogatories, requests for admissions, or depositions, shall be permitted. The decision of the arbitrator shall be final and binding upon the Parties and shall be set forth in a written reasoned opinion, and any award may be enforced by either Party in a court of competent jurisdiction. For purposes of enforcement of the award, the Parties consent to the personal jurisdiction and venue of the State and Federal Courts within the City of Los Angeles, California. The Parties agree that the prevailing Party in such arbitration shall be awarded its reasonable attorney's fees, expert fees, expenses and costs incurred in connection with the dispute.

When the valuations are completed, B. Riley may, at its option and expense, place announcements and advertisements or otherwise publicize the engagement and B. Riley's role in it (which may include the reproduction of the Company and Client's logo and a hyperlink to the Company and Client's website) on B. Riley's Internet website and in such newspapers and periodicals as it may choose stating that B. Riley has acted as the valuation professional with respect to some or all of the Company's assets.

If the terms and conditions of this proposal are acceptable, kindly indicate your acceptance at the bottom of this page and return it to my attention **via email**.

We look forward to working with you towards the successful completion of this project.

Sincerely,



Bill Soncini  
National Marketing Manager  
Managing Director  
B. Riley Advisory & Valuation Services, LLC

BS:mm

**Accepted and Agreed:**

IEH Auto Parts LLC dba Auto Plus

By: DocuSigned by:  
Michael Neyrey  
F107DF74D56E459... \_\_\_\_\_

Michael Neyrey  
IEH Auto Parts LLC dba Auto Plus  
March 6, 2023  
Page 6

Name: Michael Neyrey \_\_\_\_\_

Title: CEO \_\_\_\_\_

Date: 3/6/2023 \_\_\_\_\_

**EXHIBIT B****Summary Chart of BRAVS's Invoices And Professional Fees Paid**

<b>Total Invoiced</b>	<b>Invoice No.</b>	<b>Invoice Date</b>	<b>Amount Paid</b>	<b>Date Paid</b>
\$27,500	n/a	n/a	\$27,500	3/10/2023
\$61,218.73 (gross) \$33,718.73 (net after application of retainer)	Inv. No.GAA- 6155	3/27/23	\$33,718.73	3/30/2023
		<b>Total:</b>	<b>\$61,218.73</b>	

**EXHIBIT C**

**BRAVS's Invoices Sent to the Debtors**

The following invoices are attached hereto for Services, as explained below:

1. **Invoice No. GAA-6155**: dated 3/27/23, for compensation/fees earned and expenses reimbursed in the amount of \$61,218.73. Paid in full on 3/30/2023 (including through application of \$27,500 in Retainer funds received on 3/10/2023).

**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> , <sup>1</sup>	)	Case No. 23-90054 (CML)
Wind-Down Debtors.	)	(Jointly Administered)
	)	

**FINAL ORDER ALLOWING COMPENSATION AND REIMBURSEMENT OF  
EXPENSES INCURRED BY FIRST AND FINAL FEE APPLICATION OF B. RILEY  
ADVISORY & VALUATION SERVICES, LLC DBA B. RILEY ADVISORY SERVICES  
AS INVENTORY VALUATION AND APPRAISAL ADVISOR TO THE DEBTORS AND  
DEBTORS IN POSSESSION FOR THE FEE PERIOD FROM  
MARCH 6, 2023 THROUGH JUNE 16, 2023**

The Court has considered the *First and Final Fee Application of B. Riley Advisory & Valuation Services, LLC dba B. Riley Advisory Services as Inventory Valuation and Appraisal Advisor to the Debtors and Debtors in Possession For the Fee Period From March 6, 2023 Through June 16, 2023* (the “Application”) filed by B. Riley Advisory & Valuation Services, LLC dba B. Riley Advisory Services (the “Applicant”). The Court orders:

1 Applicant is allowed compensation and reimbursement of expenses in the amount of \$61,218.73 for the period set forth in the Application.

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<sup>1</sup> The Wind-Down 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 Wind-Down Debtors’ service address is: 5330 Carmel Crest Lane, Charlotte, North Carolina 28226.

2 The compensation and reimbursement of expenses allowed in this order and all previous interim allowances of compensation and reimbursement of expenses are approved on a final basis.

3 The Wind-Down Debtors are authorized to disburse any unpaid amounts allowed by paragraphs 1 or 2 of this order.

Dated: \_\_\_\_\_, 2023

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CHRISTOPHER M. LOPEZ  
UNITED STATES BANKRUPTCY JUDGE