

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

In re:

AUTO PLUS AUTO SALES LLC,

Wind-Down Debtor.¹

Chapter 11

Case No. 23-90055 (CML)

(Formerly Jointly Administered
under Lead Case IEH Auto Parts
Holding LLC, Case No. 23-90054)

Re: Docket No. 147

**RESPONSE OF GENERAL MOTORS LLC TO GUC TRUSTEE'S
ELEVENTH OMNIBUS OBJECTION TO CLAIMS (Reduced Claims)**

General Motors LLC (“GM”), a creditor and party in interest, by its undersigned counsel, files this *Response* to the *GUC Trustee's Eleventh Omnibus Objection to Claims (Reduced Claims)* [Case No. 23-90055, Dkt. No. 147] (the “Objection”) and states²:

¹ On January 16, 2024, the Court entered a *Final Decree Closing Certain of the Chapter 11 Cases* [Case No. 2390054, Dkt. No. 1043] closing each Debtor's chapter 11 case except the case of Auto Plus Auto Sales LLC. The following is a complete list of the Debtor entities in these chapter 11 cases, along with the last four digits of each entity's federal tax identification number: 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 Caramel Crest Lane, Charlotte, NC 28226.

² Any capitalized terms not otherwise defined herein shall have the meanings given to them in the Objection.



1. On April 13, 2023, GM timely filed its Proof of Claim No. 354 in the case of Debtor IEH Auto Parts LLC (“GM’s Claim”).

2. GM’s Claim is in the aggregate amount of \$1,209,884.40 and is comprised of (a) a general unsecured claim in the amount of \$922,721.92 (“GM’s GUC”), and (b) a Bankruptcy Code § 503(b)(9) priority claim, in the amount of \$287,162.48, in favor of GM for the value of those goods sold by GM and received by Debtor within twenty (20) days before the Petition Date in the ordinary course of Debtor’s business (“GM’s 503(b)(9) Claim”).

3. Since GM’s Claim was filed, it has been nominally reduced, by \$25,921.01, to \$1,183,963.39, due to warranty claims adjustments and permissible returns accepted by GM that were subsequently processed in the ordinary course of business.

4. The Objection is only an objection to GM’s GUC and does not affect GM’s 503(b)(9) Claim. Objection, ¶ 2.

5. Schedule 1 to the Proposed Order attached to the Objection indicates that the GUC Trustee is seeking to reduce GM’s GUC from \$922,721.92 to \$478,744.62 (the “Trustee’s Modified GUC Claim Amount”). However, the Objection does not state the specific alleged basis for the proposed reduction.

6. The Declaration of Susanne Edwards in Support of GUC Trustee’s Eleventh Omnibus Objection to Claims (Reduced Claims) (the “Supporting

Declaration”), attached to and accompanying the Objection, only alleges general alternative grounds for objection as to each respective proof of claim identified on Schedule 1 to the Proposed Order, without stating with particularity the alleged basis on which the GUC Trustee seeks to reduce GM’s GUC.

7. The Notice of Objection to Claim corresponding to the Objection alleges that the Objection is “*on the basis that your Claim arises from an executory contract or unexpired lease that was assumed and assigned to a third party pursuant to section 365 of the Bankruptcy Code.*” This is inaccurate, at least with respect to GM. The Attachment to GM’s Claim, among other things, explicitly states that because GM’s Distribution Agreement with the Debtor “*expired prior to the Petition Date, it is incapable of being assumed and assigned by Debtor pursuant to Bankruptcy Code § 365.*” In fact, no such assumption and assignment occurred.

8. On July 18, 2024, following earlier preliminary communications between respective counsel for GM and the GUC Trustee, GM’s counsel received via email from counsel to the GUC Trustee an Excel spreadsheet, referenced as “*AP detail for GM*” that purportedly summarizes the GUC Trustee’s reconciliation of GM’s GUC (the “GUC Trustee’s Summary Reconciliation”). No additional documents or information accompanied the delivery of the GUC Trustee’s Summary Reconciliation.

9. The GUC Trustee's Summary Reconciliation appears only to summarily reference certain invoices that aggregate the \$478,744.62 amount to which the Objection seeks to reduce GM's GUC, but it does not provide any explanation as to the alleged factual basis and specific grounds on which the GUC Trustee seeks to disallow the remainder of GM's GUC.

10. On July 24, 2024, GM's counsel delivered to the GUC Trustee's counsel via email an Excel file detailing the unpaid invoices comprising GM's Claim.

11. The parties have continued to engage in good faith discussions, regarding GM's GUC and the Objection. However, as of the time of filing this Response, the parties have been unable to consensually resolve the Objection.

12. GM disagrees with the Objection, because it is inconsistent with GM's own books and records, as maintained by GM in the ordinary course of business, which books and records GM believes to be accurate and complete.

13. GM reserves the right to amend, modify and/or supplement this Response upon GM's receipt and review of such additional documentation and information as may be received from and on behalf of the GUC Trustee in connection with the Objection and/or as may be otherwise revealed to or discovered by GM, and/or based on any other factual or legal basis.

WHEREFORE, GM respectfully requests that this Court (i) deny the relief requested in the Objection as to GM, (ii) enter an appropriate order allowing GM's GUC, and (iii) grant in favor of GM such other and further relief as may be just and appropriate in the circumstances.

HONIGMAN LLP

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Dated: August 23, 2024

Counsel for General Motors LLC

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In re:

AUTO PLUS AUTO SALES LLC,

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CERTIFICATE OF SERVICE

I hereby certify that on August 23, 2024, I caused to be electronically filed the foregoing papers with the Clerk of the Court using the ECF system, which will send notification of such filing to all ECF participants in the case, including, without limitation, the following Notice Parties, as to whom the undersigned also caused to be served via email on the aforesaid date:

1) Debtors' counsel:

Jackson Walker LLP
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Attention: Matthew Cavanaugh
Veronica A. Polnick
Zachary McKay

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- 2) The U.S. Trustee:
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- 3) Counsel to the Unsecured Creditors' Committee:

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