

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

)	Chapter 11
In re:)	
)	Case No. 23-90055 (CML)
AUTO PLUS AUTO SALES LLC,)	
)	(Formerly Jointly Administered under
Wind-Down Debtor. ¹)	Lead Case IEH Auto Parts Holding
)	LLC, Case No. 23-90054)
)	

STIPULATION AND AGREED ORDER RELATED TO THE WITHDRAWAL OF THE PROOFS OF CLAIM OF THE CHUBB COMPANIES

This stipulation and agreed order (this “Stipulation”) is made this 25th day of September 2024 by and among the Plan Agent,² on its own behalf and on behalf of all of the Wind-Down Debtors, ACE American Insurance Company (“ACE”) on its own behalf and on behalf of all of its U.S.-based affiliates and their respective predecessors and successors (collectively, and solely in their capacities as insurers, the “ACE Companies”),³ Federal Insurance Company (“Federal”) on its own behalf and on behalf of all of its U.S.-based affiliates and their respective predecessors and successors (collectively, and solely in their capacities as insurers, the “Federal Companies”),⁴ and together with the ACE Companies, collectively, the “Chubb Companies” and, together with the Plan Agent, collectively, the “Parties”), by and through their respective undersigned counsel,

¹ The Wind-Down Debtor’s service address is: 5330 Carmel Crest Lane, Charlotte, North Carolina 28226. All pleadings related to these chapter 11 cases may be obtained from the website of the Wind Down Debtor’s claims and noticing agent at <https://www.kccllc.net/autoplus>.

² Capitalized terms used but not defined herein shall have the meanings attributed to them in the Plan or the Confirmation Order, as applicable, each as defined herein.

³ The ACE Companies include, but are not limited to, ACE, Indemnity Insurance Company of North America, ACE Fire Underwriters Insurance Company, Westchester Surplus Lines Insurance Company, Illinois Union Insurance Company, and ACE Property and Casualty Insurance Company.

⁴ The Federal Companies include, but are not limited to, Federal and Northwestern Pacific Indemnity Company.



regarding the withdrawal of the Chubb Proofs of Claim (as defined herein) which are more specifically described on **Exhibit “A”** attached hereto.

RECITALS

WHEREAS, on January 31, 2023 (the “Petition Date”), IEH Auto Parts Holding LLC and certain of its affiliates (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (the “Court”);

WHEREAS, prior to the Petition Date, the Chubb Companies issued certain insurance policies (as renewed, amended, modified, endorsed or supplemented from time to time, collectively, the “Policies”) to one or more of the Debtors as named insureds or that may otherwise provide coverage to the Debtors;

WHEREAS, certain of the Policies were issued to the Debtors’ non-Debtor parent, Icahn Automotive Group, LLC (“Parent”), as first named insured, which Policies may provide coverage to Parent, the Debtors, and/or to other non-Debtor affiliates of the Debtors (collectively, and together with Parent, the “Non-Debtor Affiliates”);

WHEREAS, prior to the Petition Date, the Chubb Companies, on the one hand, and one or more of the Debtors and/or certain Non-Debtor Affiliates, including Parent, on the other hand, also entered into certain written agreements in connection with the Policies (as renewed, amended, modified, endorsed or supplemented from time to time, and including any exhibit or addenda thereto, collectively, the “Insurance Agreements”);

WHEREAS, pursuant to certain Policies and Insurance Agreements (collectively, the “ACE Insurance Program”), the ACE Companies provide, *inter alia*, workers’ compensation, property, general liability, general liability excess, environmental, directors’ and officers’ liability,

automobile liability, marine cargo, commercial package, and certain other insurance for specified policy periods subject to certain limits, deductibles, retentions, exclusions, terms and conditions, as more particularly described therein, and the insureds, including, if applicable, one or more of the Debtors, are required to pay to the Chubb Companies certain amounts including, but not limited to, insurance premiums (including audit premiums), deductibles, funded deductibles, expenses, taxes, assessments and surcharges, as more particularly described in the ACE Insurance Program (collectively, the “ACE Program Obligations”);

WHEREAS, pursuant to certain other Policies and Insurance Agreements (collectively, the “Federal Insurance Program,” and collectively with the ACE Insurance Program, the “Chubb Insurance Program”),⁵ the Federal Companies provide, *inter alia*, directors’ and officers’ liability, property, and certain other insurance for specified policy periods subject to certain limits, deductibles, retentions, exclusions, terms and conditions, as more particularly described therein, and the insureds, including, if applicable, one or more of the Debtors, are required to pay to the Chubb Companies certain amounts including, but not limited to, insurance premiums (including audit premiums), deductibles, funded deductibles, expenses, taxes, assessments and surcharges, as more particularly described in the Federal Insurance Program (collectively, the “Federal Program Obligations,” and together with the ACE Program Obligations, collectively, the “Obligations”);⁶

WHEREAS, on March 13, 2023, the Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and*

⁵ The description of the Chubb Insurance Program set forth herein is not intended to, and shall not be deemed to amend, modify or waive any of the terms or conditions of the Chubb Insurance Program. Reference is made to the Chubb Insurance Program for a complete description of its terms and conditions.

⁶ The Obligations include both monetary and non-monetary obligations that the insureds, including one or more of the Debtors, may have.

Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, and (IV) Approving Notice of Bar Dates [Docket. No. 222] (the “Bar Date Order”), which provides, *inter alia*, that notwithstanding anything to the contrary in the Bar Date Order, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of Texas, any order of the Court or any proof of claim form or notice of a bar date, (i) ACE, on its own behalf and on behalf of all the ACE Companies, was permitted to file a single consolidated proof of claim in the bankruptcy case of IEH Auto Parts Holding LLC, Case No. 23-90054 (CML) (the “Lead Case”); (ii) Federal, on its own behalf and on behalf of all of the Federal Companies, was permitted to file a single consolidated proof of claim in the Lead Case; and (iii) such claims were deemed to be filed by each of the ACE Companies and each of the Federal Companies, respectively, not only in the Lead Case, but also in the chapter 11 cases of each of the Debtors;

WHEREAS, pursuant to the terms of the Bar Date Order, ACE timely filed one consolidated proof of claim, listed on **Exhibit “A”** hereto, on its own behalf and on behalf of all of the ACE Companies, against the Debtors on account of the ACE Program Obligations (the “ACE Proof of Claim”);

WHEREAS, pursuant to the terms of the Bar Date Order, Federal timely filed one consolidated proof of claim, listed on **Exhibit “A”** hereto, on its own behalf and on behalf of all of the Federal Companies, against the Debtors on account of the Federal Program Obligations (the “Federal Proof of Claim,” and together with the ACE Proof of Claim, collectively, the “Chubb Proofs of Claim”);

WHEREAS, on June 16, 2023, the Court entered the *Order Confirming the Third Amended Combined Disclosure Statement and Joint Plan of Liquidation of IEH Auto Parts Holding LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket

No. 749] (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”);

WHEREAS, Article V.C.2 of the Plan provides:

Notwithstanding anything to the contrary in the Plan (including, without limitation and for the avoidance of doubt, any of the foregoing paragraphs in this Article V.C of the Plan), the Disclosure Statement, the Plan Supplement, the Confirmation Order, the 9019 Order, the Settlement, the Settlement Term Sheet, any Sale Orders, any Asset Purchase Agreement or any other document related to any Sale Transaction or other sale, any notice or schedule of Retained Contracts and/or Cure Amounts, the Bar Date Order, any bar date notice, any claim objection, any other document related to any of the foregoing or any other order of the Bankruptcy Court (including, without limitation, any other provision that purports to be preemptory or supervening, grants an injunction, discharge or release, or confers Bankruptcy Court jurisdiction):

(a) on the Effective Date, the Wind-Down Debtors shall assume all of the Chubb Insurance Contracts⁷ which identify one of the Debtors as the first named insured or as a counterparty thereto in their entireties pursuant to sections 105 and 365 of the Bankruptcy Code;

(b) on the Effective Date, all of the Debtors’ rights and obligations under all of the Chubb Insurance Contracts shall vest, unaltered and in their entireties, with the Plan Agent, and, on and after the Effective Date, the Plan Agent, on behalf of the Wind-Down Debtors, shall become and remain liable in full for all of its, the Debtors’, and the Wind-Down Debtors’ obligations under the Chubb Insurance Contracts, including, without limitation, any outstanding SIR or Deductible amounts, regardless of whether such obligations arise before or after the Effective Date, without the need or requirement for the Chubb Companies to file or serve any objection to a proposed Cure Amount or a request, application, claim, Proof of Claim or motion for payment or allowance of any Administrative Expense Claim and without the Chubb Companies being subject to any Bar Date, Administrative Expense Bar Date or similar deadline governing Cure Amounts or other Claims;

⁷ For the avoidance of doubt, the term Chubb Insurance Contracts as defined and used in the Plan has the same meaning as the term Chubb Insurance Program as defined and used in this Stipulation.

(c) all of the Chubb Insurance Contracts, the terms and conditions thereof and all legal, equitable or contractual rights, obligations, and defenses of the Chubb Companies, the Debtors (or, after the Effective Date, the Plan Agent or Wind-Down Debtors), the Non-Debtor Affiliates, or any other individual or entity, as applicable, under the Chubb Insurance Contracts, whether arising before or after the Effective Date, including, without limitation, the Chubb Companies' right to seek payment or reimbursement from the Debtors (or, after the Effective Date, the Plan Agent or Wind-Down Debtors) and/or the Non-Debtor Affiliates or to draw on any collateral or security therefor (and any rights, claims, defenses or interest of the Non-Debtor Affiliates related to such collateral or security or draws on the same, whether with respect to Chubb Companies, the Debtors, or any other individual or entity), shall survive and shall not be amended, modified, waived, released, discharged or impaired in any respect, and all such rights and obligations shall be determined under the Chubb Insurance Contracts and applicable non-bankruptcy law;

(d) nothing shall permit or otherwise effect a sale, assignment or other transfer and/or an abandonment of any Chubb Insurance Contract and/or any rights, benefits, claims, proceeds, rights to payment, or recoveries under and/or relating to any Chubb Insurance Contract except as permitted under and subject to and in accordance with the terms and conditions of the applicable Chubb Insurance Contract;

(e) nothing, including the automatic stay of section 362(a) of the Bankruptcy Code and/or the injunctions set forth in Article VIII of the Plan, stays or enjoins (i) any claims that are or may be asserted under any of the Chubb Insurance Contracts to the extent any such claims are solely against any of the Non-Debtor Affiliates and/or (ii) the Chubb Companies' right to draw on or against, use or apply any or all of the collateral or security provided to the Chubb Companies in connection with the Chubb Insurance Contracts in accordance with the terms of the Chubb Insurance Contracts for or in connection with any claim against any Non-Debtor Affiliate or any claim against any Debtor with respect to which the stay and/or injunctions set forth in Article VIII of the Plan do not apply or have been lifted by an order of the Bankruptcy Court;

(f) if and to the extent a Claim is covered by any Chubb Insurance Contract, and provided that the automatic stay of section 362(a) of the Bankruptcy Code and/or the injunctions set forth in Article VIII of the Plan, each if and to the extent applicable, are lifted with respect to such Claim under the Plan or by or through an order entered by the Bankruptcy Court, the Holder of such Claim may

proceed with such Claim (whether arising prior to or subsequent to the Petition Date) in the appropriate judicial or administrative forum in accordance with the terms and conditions of the applicable Chubb Insurance Contract(s), and nothing shall impact, affect, impair, waive, release, reduce, or expand the coverage provided for such Claim under the applicable Chubb Insurance Contract(s) pursuant to the terms and conditions thereof and/or the rights and defenses of the Chubb Companies relating to or in connection with such Claim pursuant to the terms and conditions of the Chubb Insurance Contracts and/or applicable non-bankruptcy law;

(g) to the extent the automatic stay of section 362(a) of the Bankruptcy Code is not applicable as of the Plan Effective Date, the injunctions set forth in Article VIII of the Plan shall not prohibit: (I) claimants with valid workers' compensation claims or direct action claims against any of the Chubb Companies under applicable non-bankruptcy law to proceed with their claims; (II) the Chubb Companies to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (A) workers' compensation claims, (B) claims where a claimant asserts a direct claim against any of the Chubb Companies under applicable non-bankruptcy law, or an order has been entered by the Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article VIII of the Plan to proceed with its claim, and (C) all costs in relation to each of the foregoing; (III) the Chubb Companies to draw on or against, use or apply any or all of the collateral or security provided by or on behalf of the Debtors (and the Plan Agent or Wind-Down Debtors, as applicable) and/or the Non-Debtor Affiliates at any time and to hold the proceeds thereof as security for the obligations of the Debtors (and the Plan Agent or Wind-Down Debtors, as applicable) and/or the Non-Debtor Affiliates and/or apply such proceeds to the obligations of the Debtors (and the Plan Agent or Wind-Down Debtors, as applicable) and/or the Non-Debtor Affiliates under the Chubb Insurance Contracts, in such order as the Chubb Companies may determine; and (IV) the Chubb Companies to cancel any Chubb Insurance Contract, and take other actions relating to the Chubb Insurance Contracts (including effectuating a setoff), to the extent permissible under applicable non-bankruptcy law, and in accordance with the terms of the Chubb Insurance Contracts; and

(i) the Chubb Companies and any Non-Debtor Affiliates shall have standing and the right to participate in any subsequent matters related to the implementation of this Article V.C to the extent any rights or interests of any of the Chubb Companies or the Non-Debtor Affiliates, respectively, may be affected.

WHEREAS, the Effective Date of the Plan occurred on October 6, 2023; and

WHEREAS, based upon the treatment of the Chubb Insurance Program pursuant to Article V.C.2 of the Plan and the Parties' agreements as set forth herein, the Parties hereby stipulate to the withdrawal of the Chubb Proofs of Claim.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, AND UPON APPROVAL BY THE BANKRUPTCY COURT OF THIS STIPULATION, IT IS ORDERED AS FOLLOWS:

1. The recitals set forth above are incorporated herein by this reference as though fully set forth herein.

2. The Stipulated Withdrawal (as defined herein) shall be effective upon the date the order approving this Stipulation becomes a final, non-appealable order that is not subject to an appeal (the "Stipulation Effective Date").

3. The Plan Agent shall treat any obligations under the Chubb Insurance Program in accordance with Article V.C.2 of the Plan.

4. Upon the Stipulation Effective Date, the Chubb Proofs of Claim shall be deemed withdrawn based upon the treatment of Chubb Insurance Program in Article V.C.2 of the Plan (the "Stipulated Withdrawal").

5. Subject to the occurrence of the Stipulation Effective Date, the clerk of the Court and the Debtors' claims and noticing agent are hereby authorized to reflect the Stipulated Withdrawal on the docket and claims register for the above-captioned bankruptcy case.

6. Nothing herein is intended to or shall be deemed to waive, prejudice, release, impair amend, modify or otherwise alter the terms and conditions of the Plan, the Confirmation Order or the Chubb Insurance Program and/or any and all of the Chubb Companies' claims or rights against any Non-Debtor Affiliates including, without limitation, Parent.

7. This Stipulation may be executed in counterparts, each of which shall be deemed an original, and evidence of this Stipulation may be exchanged by fax or by electronic transmission of a scanned copy of the signature pages or by exchange of originally signed documents.

8. This Stipulation shall be binding upon all successors and assigns of all of the Parties hereto.

9. Each person who executes this Stipulation on behalf of a Party represents and warrants that he or she is duly authorized and has requisite authority to execute and deliver this Stipulation on behalf of such Party and to bind his or her respective Party to the terms and conditions of this Stipulation.

10. All representations, warranties, inducements, and/or statements of intention made by the Parties that relate to this Stipulation are embodied in the Stipulation, and none of the Parties relied upon, will be bound by or will be liable for any alleged representation, warranty, inducement or statement of intention that is not expressly set forth in this Stipulation.

11. This Stipulation constitutes the entire agreement between the Parties with respect to the matters addressed herein and may not be modified except in a writing signed by the Parties.

[Signatures follow]

IN WITNESS WHEREOF, the Parties have caused this Stipulation to be executed as of the day and year written below.

Dated: September 25, 2024

TRAN SINGH LLP

/s/ Susan Tran Adams

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Counsel for the Chubb Companies

IT IS SO ORDERED,

Dated: _____, 2024
Houston, Texas

HONORABLE CHRISTOPHER LOPEZ
UNITED STATES BANKRUPTCY JUDGE

Exhibit "A"**Chubb Proofs of Claim**

Claimant	Debtor Name	Case No.	Claim No.
ACE American Insurance Company on its own behalf and on behalf of all of the ACE Companies	IEH Auto Parts Holding LLC	23-90054	496
Federal Insurance Company on its own behalf and on behalf of all of the Federal Companies	IEH Auto Parts Holding LLC	23-90054	531