

) Chapter 11
)
) Case No. 23-90055 (CML)
)
) (Formerly Jointly Administered under
) Lead Case IEH Auto Parts Holding
) LLC, Case No. 23-90054)
)

**WIND-DOWN DEBTOR'S OBJECTION
TO PROOF OF CLAIM NO. 716 FILED BY T AND Z INVESTMENTS I LLC**

This is an objection to your claim. This objection asks the Court to modify the claim that you filed in this bankruptcy case. If you do not file a response within 30 days after the objection was served on you, your claim may be modified without a hearing.

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 thirty days from the date this objection was filed. If you do not have electronic filing privileges, you must file a written response that is *actually received* by the clerk within thirty days from the date this objection was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing has been set on this matter on April 15, 2025 at 10:00 a.m. in Courtroom 401, 4th floor, 515 Rusk Street, Houston, Texas 77002. Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court’s dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Lopez’s conference room number is 590153. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Lopez’s home page. The meeting code is “JudgeLopez”. Click the settings icon



in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the “Electronic Appearance” link on Judge Lopez’s home page. Select the case name, complete the required fields and click “Submit” to complete your appearance.

The above-captioned wind-down debtor (the “Wind-Down Debtor,” and prior to the Effective Date,² the “Debtor”) represents as follows in support of this claim objection (the “Objection”), and submits the *Declaration of Susanne Edwards in Support of Wind-Down Debtor’s Objection to Proof of Claim No. 716 Filed by T and Z Investments I LLC* attached hereto as **Exhibit A** (the “Edwards Declaration”):

Relief Requested

1. The Wind-Down Debtor seeks entry of the proposed order (the “Order”) modifying Proof of Claim No. 716 (the “Claim”) filed by T and Z Investments I LLC (the “Claimant”) because the Wind-Down Debtor has determined that part of the administrative priority claim is not entitled to priority.

2. In support of the Objection, the Wind-Down Debtor submits the Edwards Declaration.

Jurisdiction and Venue

3. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) 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). The Wind-Down Debtor confirms its consent,

² Capitalized terms used but not defined herein have the meanings given to them in the Plan (defined below).

pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court.

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The bases for the relief requested herein are sections 105(a) and 502(b) of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rule 3007, and rules 3007-1 and 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

Background

A. The Chapter 11 Cases

6. On January 31, 2023 (the “Petition Date”), the Debtor and each of its affiliates (collectively, the “Debtors” and after the Effective Date, the “Wind-Down Debtors”) filed their respective voluntary petitions for relief under Chapter 11 of the Bankruptcy Code, commencing the above captioned, jointly administered chapter 11 cases.

7. 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* (the “Confirmation Order”) [Docket No. 749], confirming the Debtors’ *Amended Chapter 11 Plan* (the “Plan”) [Docket No. 738]. On October 6, 2023, the Plan went effective (the “Effective Date”).

8. The Plan bifurcated the claim reconciliation process. On the one hand, the GUC Trustee was appointed to oversee the GUC Claim Reconciliation in accordance with the Plan. *See* Plan, Art. VII. On the other hand, the Plan Agent was appointed to serve as the trustee and administrator overseeing the wind down and dissolution of the Debtors and their Estates, including overseeing the reconciliation of Non-GUC Claims. *See id.* Non-GUC Claims means all claims other than General Unsecured Claims, including 503(b)(9) claims. *See id.* at Art. I. 88. So, pursuant

to the Plan, the Debtors shall continue in existence for the purpose of resolving Claims that are not General Unsecured Claims and otherwise administering the Plan. *See id.* at Art. IV.A.2.

B. The Lease

9. Prior to the Petition Date, on December 1, 2004, Debtor IEH Auto Parts LLC (“IEH”), as tenant, and Claimant, as landlord, entered into that certain lease (as subsequently amended and modified, the “Lease”) for real property located at 3425 Old Bethlehem Pike, Souderton, PA 18964 (the “Premises”).

10. The Premises was not included in any sale during the bankruptcy cases, and as such, the Debtors sought to reject the lease. On August 10, 2023, the Court entered its *Order Granting Debtors’ Fourth Omnibus Motion for Entry of an Order (I) Authorizing and Approving (A) the Rejection of Certain Unexpired Leases of Non-Residential Real Property, (B) the Rejection of Certain Executory Contracts, and (C) Abandonment of Certain Personal Property, if any, Each Effective as of the Respective Effective Rejection Date, and (II) Granting Related Relief* [Docket No. 851], which among other things, approved the rejection of the Lease effective as of July 31, 2023.

C. The Claim

11. The Claimant filed the Claim on August 16, 2023 in the total amount of \$183,700. for “postpetition occupancy costs and rejection damages”, of which allegedly \$14,043.74 is secured (this portion of the Claim, the “Secured Claim”), \$130,522.66 is a priority claim under section 507(a)(2) of the Bankruptcy Code (this portion of the Claim, the “Priority Claim”), and \$53,177.81 is a general unsecured claim (this portion of the Claim, the “GUC Claim”). A true and correct copy of the Claim is attached hereto as **Exhibit B**.

12. The Claim asserts the following:

Claim Classification	Amount	Basis
Secured Claim	\$14,043.74	Right of setoff related to credit on account as of the Petition Date
GUC Claim (Nonpriority)	\$53,177.81	Post Rejection Charges
Priority Claim	\$18,415.81	CAM for January 2023 – July 2023
	\$35,931.13	2022 CAM Recon
	\$70,321.95	2023 Special Assessment
	\$5,835.77	Late fees
Total	\$183,700.47³	

D. The Claims Administration Process

13. The Plan bifurcated the claim reconciliation process. On the one hand, the GUC Trustee was appointed to oversee the GUC Claim Reconciliation in accordance with the Plan. *See* Plan, Art. VII. On the other hand, the Plan Agent was appointed to serve as the trustee and administrator overseeing the wind down and dissolution of the Debtors and their Estates, including overseeing the reconciliation of Non-GUC Claims. *See id.* Non-GUC Claims means all claims other than General Unsecured Claims, including 503(b)(9) claims. *See id.* at Art. I. 88. So, pursuant to the Plan, the Debtors shall continue in existence for the purpose of resolving Claims that are not General Unsecured Claims and otherwise administering the Plan. *See id.* at Art. IV.A.2.

14. In the ordinary course of business, the Debtors maintained books and records that reflect the Debtors' liabilities and amounts owed to their creditors. The books and records were subsequently maintained after the commencement of these Cases. The Debtors and their financial advisors (collectively, the "Reviewing Parties") analyzed their books and records to determine the validity of the proofs of claim. In addition to reviewing the Debtors' books and records, the Reviewing Parties have been working diligently to review the proofs of claim, including any supporting documentation.

³ The total amount consists of the GUC Claim and the Priority Claim, the Secured Claim amount is not included since it is a right to setoff rather an additional amount owed.

15. Based on the Reviewing Parties' analysis to date, the Reviewing Parties believe that the Claim should be modified as set forth herein.

Objection

16. Section 502 of the Bankruptcy Code provides, in pertinent part, as follows: “[a] claim or interest, proof of which is filed under section 501 of [the Bankruptcy Code], is deemed allowed, unless a party in interest . . . objects.”⁴ Section 502 also provides that “if such objection is made, the court . . . shall determine the amount of such claim . . . and shall allow such claim in such amount, except to the extent that such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law”⁵

17. As set forth in Bankruptcy Rule 3001(f), a properly executed and filed proof of claim constitutes *prima facie* evidence of the validity and the amount of the claim under section 502(a) of the Bankruptcy Code.⁶ A proof of claim loses the presumption of *prima facie* validity under Bankruptcy Rule 3001(f) if an objecting party refutes at least one of the allegations that are essential to the claim's legal sufficiency.⁷

18. Once such an allegation is refuted, the burden reverts to the claimant to prove the validity of its claim by a preponderance of the evidence.⁸ Despite this shifting burden during the claim objection process, “the ultimate burden of proof always lies with the claimant.”⁹

19. The Claim should be modified because the Priority Claim portion of the Claim asserts amounts not eligible for priority. The Claim asserts priority under section 507(a)(2) of the Bankruptcy Code, which grants priority to administrative expenses allowed under section 503(b).

⁴ 11 U.S.C. § 502.

⁵ 11 U.S.C. § 502(b).

⁶ See, e.g., *In re Jack Kline Co., Inc.*, 440 B.R. 712, 742 (Bankr. S.D. Tex. 2010).

⁷ See *In re Fidelity Holding Co., Ltd.*, 837 F.2d 696, 698 (5th Cir. 1988).

⁸ *Id.*

⁹ *In re Armstrong*, 347 B.R. 581, 583 (Bankr. N.D. Tex. 2006) (citing *Raleigh v. Ill. Dep't of Rev.*, 530 U.S. 15 (2000)).

In turn, section 503(b) allows administrative expenses for “the actual, necessary costs and expenses of preserving the estate[.]”¹⁰ “[A]n administrative priority claim must have arisen from a transaction with the debtor in possession, as opposed to the pre-petition debtor.”¹¹

20. As set forth in the Edwards Declaration, the Reviewing Parties thoroughly reviewed the Wind-Down Debtor’s books and records, the claims register, the Claim, and any documents filed in support therewith, if any, and believe that at least \$38,561.96 of the Priority Claim is related to prepetition amounts owed. Specifically, \$2,630.83 is related to January CAM charges and \$35,931.13 is related to a reconciliation of CAM charges in 2022. These amounts accrued prior to the Petition Date and therefore are ineligible for administrative expense priority. As such, the Wind-Down Debtor believes at least \$38,561.96 of the Priority Claim should be reclassified to a general unsecured claim. The Wind-Down Debtor also believes the 2023 Special Assessment in the amount of \$70,321.95 actually arose prior to the Petition Date, or in the alternative, is not pro-rated for the postpetition and pre-rejection period. Additional discovery will be needed to determine which portions of this amount should be reclassified to general unsecured claims.

21. Reclassification of at least \$38,561.96 of the Priority Claim portion of the Claim will enable the Wind-Down Debtor to maintain a more accurate claims register and will not prejudice the claimants. The Wind-Down Debtor requests that the Court enter an order disallowing the Priority Claim portion of the Claim.

Reservation of Rights

22. This Objection is limited to the grounds stated herein. It is without prejudice to the rights of the Wind-Down Debtor, the GUC Trustee, or any other party in interest to object to the

¹⁰ 11 U.S.C. § 503(b)(1)(A)

¹¹ *Nabors Offshore Corp. v. Whistler Energy II, L.L.C. (In re Whistler Energy II, L.L.C.)*, 931 F.3d 432 (5th Cir. 2019).

Claim on any additional grounds. The Wind-Down Debtor expressly reserves all further substantive or procedural objections it may have. Nothing contained herein or any actions taken pursuant to such relief is intended or should be construed as: (a) an admission as to the validity of any prepetition claim against Debtors; (b) a waiver of any party's right to dispute any prepetition claim on any grounds, including the rights of the Debtor, GUC Trustee, and the Plan Administrator on behalf of the Wind-Down Debtor; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this objection or any order granting the relief requested by this Objection; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of Debtor's, Wind-Down Debtor's, or GUC Trustee's rights under the Plan, Bankruptcy Code, or any other applicable law.

23. If the Claim is not reduced on the grounds asserted herein, the Wind-Down Debtor hereby reserves all rights to further object to the Claim, or any amended claim, on any other grounds. Additionally, the Wind-Down Debtor expressly reserves all rights to amend, modify, or supplement the objections asserted herein and to file additional objections to the Claim.

Notice

24. The Wind-Down Debtor will provide notice of this Objection to: (a) the United States Trustee for the Southern District of Texas; (b) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (c) the Claimant. In light of the nature of the relief requested, no other or further notice need be given.

The Wind-Down Debtor requests the Court enter the Order granting the relief requested herein and such other and further relief as is just and equitable.

Houston, Texas

Dated: March 14, 2025

/s/ Veronica A. Polnick

JACKSON WALKER LLP

Matthew D. Cavanaugh (TX Bar No. 24062656)

Veronica A. Polnick (TX Bar No. 24079148)

Emily Meraia (TX Bar No. 24129307)

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Email: mcavanaugh@jw.com

vpolnick@jw.com

emeraia@jw.com

zmckay@jw.com

Counsel to the Wind-Down Debtor

Certificate of Service

I certify that on March 14, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Veronica A. Polnick

Veronica A. Polnick

Exhibit A

Edwards Declaration

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

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

**DECLARATION OF SUSANNE EDWARDS IN SUPPORT OF WIND-DOWN
DEBTOR'S OBJECTION TO PROOF OF CLAIM NO. 716 FILED BY T AND Z
INVESTMENTS I LLC**

I, Susanne Edwards, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I was an Assistant Vice President of Finance for Debtor IEH Auto Parts, LLC prior to the Debtors' wind down pursuant to these chapter 11 cases. I have been retained by the Wind-Down Debtor to assist with the Non-GUC Claim reconciliation process. I have more than 25 years of experience as a certified public accountant.

2. In my role as Assistant Vice President of Finance, I became familiar with the Debtors' day-to-day operations, financing arrangements, business affairs, and accounting software that reflects, among other things, the Debtors' liabilities. I have read the *Wind-Down Debtor's Objection to Proof of Claim No. 716 Filed by T and Z Investments I LLC* (the "Objection")² and I have reviewed the Claim and related attachments.

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.kcellc.net/autoplus>.

² Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Objection.

3. I believe the assertions made in the Objection are accurate. I reviewed the claims register, the Claim, as well as any supporting documentation, and the Wind-Down Debtor's books and records and determined that the Claim should be reclassified in part as requested in the Objection.

4. The Claim asserts (1) January 2023 CAM in the amount of \$2,630.83 and (2) 2022 CAM recon in the amount of \$35,931.13, both of which relate to periods prior to the Petition Date. The Claim also asserts 2023 Special Assessment in the amount of \$70,321.95, which I believe might improperly include prepetition and post-rejection amounts, but further information is needed. Accordingly, I believe that the reclassification of at least \$38,561.96 of the Priority Claim on the terms set forth in the Objection is appropriate. It is my belief that if the Claim is not reclassified, the Claimant may stand to recover from the Wind-Down Debtor's estate improperly.

5. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the facts set forth in the foregoing declaration are true and correct to the best of my knowledge, information and belief as of the date hereof.

Dated: March 14, 2025

/s/ Susanne Edwards
Susanne Edwards

Exhibit B

Proof of Claim No. 716

Fill in this information to identify the case:

Debtor IEH Auto Parts LLC

United States Bankruptcy Court for the: Southern District of Texas
(State)

Case number 23-90057

Official Form 410
Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>T and Z Investments, I LLC</u> Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? See summary page	Where should payments to the creditor be sent? (if different)
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Contact phone <u>610-382-5400</u> Contact email <u>legal@velocityinv.com</u>	Contact phone _____ Contact email _____
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6.	Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____
7.	How much is the claim? \$ <u>183,700.47</u>	Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8.	What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>Postpetition Occupancy Costs and Rejection Damages</u>	
9.	Is all or part of the claim secured? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature or property: <input type="checkbox"/> Real estate: If the claim is secured by the debtor's principle residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>Right of setoff</u> Basis for perfection: _____ Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: <u>\$ 14043.74</u> Amount of the claim that is secured: <u>\$ 14043.74</u> Amount of the claim that is unsecured: <u>\$ 169656.73</u> (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable	
10.	Is this claim based on a lease? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____	
11.	Is this claim subject to a right of setoff? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Identify the property: <u>credit on account as of petition date</u>	



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ No☒ Yes. Check all that apply:

Amount entitled to priority

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____☒ Other. Specify subsection of 11 U.S.C. § 507(a)(2) that applies. \$ 130522.66

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

☒ No☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.☒ I am the creditor's attorney or authorized agent.☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 08/16/2023

MM / DD / YYYY

/s/Zachary Moore

Signature

Print the name of the person who is completing and signing this claim:

Name Zachary Moore

First name

Middle name

Last name

Title Authorized Signatory

Company T and Z Investments I LLC

Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

Contact phone

Email



For phone assistance: Domestic (888) 802-7207 | International (781) 575-2107

Debtor: 23-90057 - IEH Auto Parts LLC District: Southern District of Texas, Houston Division		
Creditor: T and Z Investments, I LLC Legal Department c/o Velocity Venture Partners LLC One Belmont Ave. Suite 520 Bala Cynwyd, PA, 19004 US Phone: 610-382-5400 Phone 2: Fax: Email: legal@velocityinv.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded Related Document Statement:	
	Has Related Claim: No Related Claim Filed By:	
	Filing Party: Authorized agent	
Other Names Used with Debtor:	Amends Claim: No Acquired Claim: No	
Basis of Claim: Postpetition Occupancy Costs and Rejection Damages	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 183,700.47	Includes Interest or Charges: Yes	
Has Priority Claim: Yes	Priority Under: 11 U.S.C. §507(a)(2): 130522.66	
Has Secured Claim: Yes: 14043.74 Amount of 503(b)(9): No Based on Lease: No Subject to Right of Setoff: Yes, credit on account as of petition date	Nature of Secured Amount: Other Describe: Right of setoff Value of Property: 14043.74 Annual Interest Rate: Arrearage Amount: Basis for Perfection: Amount Unsecured: 169656.73	
Submitted By: Zachary Moore on 16-Aug-2023 2:37:37 p.m. Eastern Time Title: Authorized Signatory Company: T and Z Investments I LLC		

Attachment to Proof of Claim

Debtors: IEH Auto Parts Holding LLC, et al.

Debtor	Case No.
IEH Auto Parts LLC	23-90057

T&Z Investments I LLC (“T&Z”) hereby submits this Proof of Claim in the above-captioned case. T&Z’s claim against Debtors is as follows and is based upon the following facts:

Basis for and Amount of Claim:

1. On January 31, 2023 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”).
2. T&Z is the landlord under a lease originally dated December 1, 2004 (with amendments and modifications, the “Lease”) for property located at 3425 Old Bethlehem Pike, Souderton, PA 18964 (the “Premises”) where IEH Auto Parts LLC (“IEH”) is the tenant.
3. IEH has occupied the Premises since the Petition Date. On August 10, 2023, the Court entered the Order Granting *Debtors’ Fourth Omnibus Motion for Entry of an Order (A) Authorizing and Approving (A) The Rejection of Certain Unexpired Leases of Non-Residential Real Property, (B) the Rejection of Certain Executory Contracts, and (C) Abandonment of Certain Personal Property, if any, Each Effective as of the Respective Effective Rejection Date, and (II) Granting Related Relief* (Docket No. 851, the “Rejection Order”). The Rejection Order approved the rejection of the Lease effective as of July 31, 2023.
4. As set forth more fully in Exhibit 1 hereto, IEH is indebted to T&Z in the amount of \$130,522.66 for the period from the Petition Date through the rejection of the Lease, which is entitled to administrative priority.
5. T&Z asserts a claim against IEH for damages relating to the rejection of the Lease. The Third Amendment to the Lease extends the term of the Lease through and including February 29, 2024. The term remaining on the Lease is less than one year and thus is not limited by Bankruptcy Code section 502(b)(6). The post rejection charges equal \$53,177,81. As more fully set forth in Exhibit 1 hereto, the total amount of damages is equal to \$183,700.47, inclusive of the administrative portion indicated in the preceding paragraph. The amount that T&Z may recover for reletting the premises is not yet determined.
6. The documents supporting this claim include, among other things, the Lease, invoices, other billings and correspondence between the Debtors and T&Z. These documents are voluminous and contain proprietary and confidential information and will be provided upon written request after appropriate confidentiality measures are implemented. Furthermore, T&Z believes that the Debtors have possession of these documents either in original or copy form.

Distributions:

7. Any distributions on account of this Proof of Claim should be directed as follows:

Legal Department
Velocity Venture Partners LLC
One Belmont Ave., Suite 520
Bala Cynwyd, PA 19004

Reservation of Rights:

8. In executing and filing this Proof of Claim, T&Z is not waiving in any manner or under any circumstances any security interest it now has or may be determined to have at any time, nor is it waiving any claim, action, or cause of action it may have against the Debtors or any other entity or person, including the right to assert amounts in amounts different from the amounts set forth herein, nor is it waiving any defense, offset, recoupment, counterclaim or similar right or remedy it may now have or at any time has against the Debtors or any other entity or person or with respect to any legal or equitable proceeding now existing or hereafter commenced. T&Z reserves the right to amend or supplement this Proof of Claim in any respect including, but not limited to, the assertion, by proof of claim or other application to this Bankruptcy Court, for any amount that becomes due under any of the various agreements, pursuant to court order or otherwise, and continuing costs, fees and expenses (including legal fees and disbursements) arising in relation to the claims asserted herein or any of the agreements and the assertion of an administrative expense priority and adequate protection for any such claim or claims.

Exhibit 1

8/15/2023 5:11 PM

Aging Detail

DB Caption: live 02/26/2021 Tenant: t0000054 Age As Of: 08/31/2023 Post To: 08/2023

Property	Customer	Lease	Status	Tran#	Charge	Date	Month	Current	0-30	31-60	61-90	Over	Pre-	Total
								Owed	Owed	Owed	Owed	90 Owed	payments	Owed
3425 Bethlehem Pike (3425beth)														
IEH Auto Parts LLC (t0000054)														
3425beth		IEH Auto Parts LLC	Past	C-37464	estcam	2/8/2023	02/2023	4,002.92	0.00	0.00	0.00	4,002.92	0.00	4,002.92
3425beth		IEH Auto Parts LLC	Past	C-37465	estcam	2/8/2023	02/2023	4,002.92	0.00	0.00	0.00	4,002.92	0.00	4,002.92
3425beth		IEH Auto Parts LLC	Past	C-37466	estcam	2/8/2023	02/2023	-1,372.09	0.00	0.00	0.00	-1,372.09	0.00	-1,372.09
3425beth		IEH Auto Parts LLC	Past	C-37467	estcam	2/8/2023	02/2023	-1,372.09	0.00	0.00	0.00	-1,372.09	0.00	-1,372.09
3425beth		IEH Auto Parts LLC	Past	C-37479	camrec	2/10/2023	02/2023	35,931.13	0.00	0.00	0.00	35,931.13	0.00	35,931.13
3425beth		IEH Auto Parts LLC	Past	C-37480	camrec	2/10/2023	02/2023	70,321.95	0.00	0.00	0.00	70,321.95	0.00	70,321.95
3425beth		IEH Auto Parts LLC	Past	C-38398	estcam	3/1/2023	03/2023	2,630.83	0.00	0.00	0.00	2,630.83	0.00	2,630.83
3425beth		IEH Auto Parts LLC	Past	C-40136	estcam	4/1/2023	04/2023	2,630.83	0.00	0.00	0.00	2,630.83	0.00	2,630.83
3425beth		IEH Auto Parts LLC	Past	C-42450	estcam	5/1/2023	05/2023	2,630.83	0.00	0.00	0.00	2,630.83	0.00	2,630.83
3425beth		IEH Auto Parts LLC	Past	C-44502	estcam	6/1/2023	06/2023	2,630.83	0.00	0.00	0.00	0.00	0.00	2,630.83
3425beth		IEH Auto Parts LLC	Past	C-47176	estcam	7/1/2023	07/2023	2,630.83	2,630.83	0.00	0.00	0.00	0.00	2,630.83
3425beth		IEH Auto Parts LLC	Past	C-50593	late	7/31/2023	07/2023	5,853.77	5,853.77	0.00	0.00	0.00	0.00	5,853.77
IEH Auto Parts LLC								130,522.66	8,484.60	0.00	0.00	119,407.23	0.00	130,522.66
3425beth								130,522.66	8,484.60	0.00	0.00	119,407.23	0.00	130,522.66

Post Rejection

Charge

August 2023 Rent	4,962.75
August 2023 CAM	2,634.08
September 2023 Rent	4,962.75
September 2023 CAM	2,634.08
October 2023 Rent	4,962.75
October 2023 CAM	2,634.08
November 2023 Rent	4,962.75
November 2023 CAM	2,634.08
December 2023 Rent	4,962.75
December 2023 CAM	2,634.08
January 2024 Rent	4,962.75
January 20234 CAM	2,634.08
February 2024 Rent	4,962.75
February 2024 CAM	2,634.08
Post Rejection Total	53,177.81

Grand Total 183,700.47

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

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

**ORDER SUSTAINING WIND-DOWN DEBTOR'S OBJECTION
TO PROOF OF CLAIM NO. 716 FILED BY T AND Z INVESTMENTS I LLC**

Upon the objection (the “Objection”)² of the above-captioned Reorganized Debtor for entry of an order (this “Order”) sustaining the Objection and modifying the Claim, all as more fully set forth in the Objection; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Objection is in the best interests of Debtor, its creditors, and other parties in interest; and this Court having found that Debtor’s notice of the Objection and opportunity for a hearing on the Objection were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Objection and having heard the statements in support of the relief requested therein; and this Court having determined that the legal and factual bases set forth in the Objection establish just cause

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 otherwise defined herein have the meaning ascribed to them in the Objection.

for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Priority Claim portion of the Claim is partially reclassified to a general unsecured claim in the amount of \$_____.

2. Veritas Global, LLC (f/k/a Kurtzman Carson Consultants, LLC), as claims, noticing and solicitation agent, is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in this Order.

3. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any claim against a Debtor entity; (b) a waiver of the Wind-Down Debtor's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Objection or any order granting the relief requested by this Objection; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of the Wind-Down Debtor's rights under the Bankruptcy Code or any other applicable law.

4. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall prejudice to the rights of the Wind-Down Debtor or the GUC Trustee, as defined in the Plan, to object to any claim, including the Claim, on any grounds whatsoever. The Wind-Down Debtor specifically and expressly reserves for all purposes the GUC Trustee's right and ability to object to any and all general unsecured claims notwithstanding the relief granted in this Order, whether such claims are reclassified or otherwise modified under this Order, and this Order does not in any manner whatsoever inhibit, modify or otherwise limit the GUC Trustee's right to object to any general unsecured claim for any reason whatsoever, including

without limitation to hereafter object to a general unsecured claim to the extent (i) such claim should properly be classified as an administrative claim pursuant to Section 503(b)(9) or otherwise and (ii) such claim is reclassified from a Section 503(b)(9) claim to a general unsecured claim pursuant to this Order. The Wind-Down Debtor's and/or Plan Agent's beliefs and allegations with respect to any claims affected by the Objection or this Order, whether general unsecured claims or otherwise, shall not be binding on or otherwise prejudice the Plan Agent in any respect, irrespective of whether the GUC Trustee challenged those beliefs or allegations as set forth in the Objection.

5. The Wind-Down Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Objection.

6. This Order is immediately effective and enforceable upon its entry

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

Dated: _____, 2025

CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE