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

In re: Chapter 11 AUTO PLUS AUTO SALES LLC, 8 Case No. 23-90055

(Formerly Jointly Administered Under

§ § Case No. 23-90054)

Wind-Down Debtor.

RESPONSE OF FRAM GROUP OPERATIONS, LLC TO THE GUC TRUSTEE'S THIRTEENTH OMNIBUS CLAIM OBJECTION (Dkt. No. 322)

COMES NOW FRAM Group Operations, LLC ("FRAM") creditor and party-in-interest herein, and files this Response to the GUC Trustee's Thirteenth Omnibus Objection to Claims (Dkt. No. 322), and would allege as follows.

- FRAM is a seller of aftermarket automotive parts, such as spark plugs and air 1. filters. Prior to the Debtors' January 31, 2023 bankruptcy filings, FRAM provided to Debtor IEH Auto Parts LLC ("IEH Auto") certain goods for which FRAM remains unpaid. IEH is the Debtor in Case No. 23-90057.
- 2. On May 1, 2023, FRAM filed an unsecured proof of claim in the amount of \$113,143.76, in the IEH Auto Debtor's case, Claim No. 584 ("FRAM POC"). Attached to the FRAM POC is a spreadsheet showing invoice numbers and invoice dates for each of the unpaid FRAM invoices. Also attached to the FRAM POC are copies of the actual invoices provided to IEH Auto, further detailing the goods shipped and amounts owed.
- 3. On March 31, 2025, Michael Warner, as the GUC Trustee, filed his Thirteenth Omnibus Objection to Claims (Reduced Claims) ("Thirteenth Omnibus Claim Objection"). In the Thirteenth Omnibus Claim Objection, the GUC Trustee objected to various proofs of claim,

with proposed "modified" claim amounts set forth in "Schedule 1" thereto. In the Schedule 1, the FRAM POC is listed with a proposed modified amount of \$28,085.16.

- 4. Attached to the Thirteenth Omnibus Claim Objection is the Declaration of Susanne Edwards ("Edwards Declaration") (Dkt. No. 322-1). According to the Edwards Declaration, Ms. Edwards is a former VP of IEH Auto, and a CPA, currently engaged by the GUC Trustee to assist with the claims reconciliation process. The Edwards Declaration states generally, after Ms. Edwards' review of the Debtor's books and records, that the claims subject to the Thirteenth Omnibus Claims Objection should be reduced for one or more of several reasons, presented on an "and/or" basis, as either partially satisfied, subject to offsets or credits, incorrect calculation, or lack of supporting documentation.
- 5. Since the filing of the Thirteenth Omnibus Claim Objection, undersigned counsel for FRAM has been in communication with counsel for the GUC Trustee in an effort to resolve any issues with the FRAM POC by agreement. Counsel have repeatedly agreed to extend the FRAM response date to the Thirteenth Omnibus Claim Objection, including through the date of the filing of this Response, in order to provide the GUC Trustee with time to continue its research related to the FRAM POC. The parties are continuing to communicate, and are working cooperatively in an effort to resolve the GUC Trustee's concerns regarding the FRAM POC.
- 6. Pursuant to § 501 of the Bankruptcy Code, a creditor may file a proof of claim. Section 502(a) of the Bankruptcy Code provides that claim, once filed, is "deemed allowed," unless an objection is made. Bankruptcy Rule 3001(f) provides that a "proof of claim filed in accordance with these rules shall constitute prima facia evidence of the validity and amount of the claim." An objecting party, in an objection to an otherwise valid claim, must "produce evidence at least equal in probative force to that offered by the proof of claim, and which, if

believed, would refute at least one of the allegations that is essential to the claim's legal

sufficiency." See, e.g., In re Morales, 520 B.R. 544, 548-49 (Bankr. W.D. Tex. 2014)(citing In

re Armstrong, 320 B.R. 97, 103 (Bankr. N.D. Tex. 2005)(quoting In re Rally Partners, LP, 306

B.R. 165, 168-69 (Bankr. E.D. Tex. 2003)). For a claim objection based upon the facts of a

particular claim, a claim objection should make "specific and detailed allegations that place the

claim in dispute." Rally Partners, LP, 306 B.R. at 168.

With respect to the FRAM POC, the Thirteenth Omnibus Claim Objection, with 7.

its general listing of *potential reasons* the FRAM POC should be reduced, the GUC Trustee has

not met the standard to shift the burden back to FRAM to establish the validity of its claim.

8. As noted above, FRAM will continue to work cooperatively with the GUC

Trustee in the parties' effort to resolve any issues with the FRAM POC by agreement. Should

such efforts not be successful, FRAM requests that the GUC Trustee's objection to the FRAM

POC be set for hearing and a determination by the Court.

WHEREFOR, FRAM Group Operations, LLC requests that the reduction of the FRAM

POC as requested by the GUC Trustee be denied, and that the Court grant FRAM Group

Operations, LLC such other and further relief to which it may be justly entitled.

Dated: October 9, 2025

Respectfully submitted,

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COUNSEL FOR FRAM GROUP OPERATIONS LLC

CERTIFICATE OF SERVICE

I hereby certify that on the $\underline{9th}$ day of October 2025, a true and correct copy of the foregoing was served via electronic delivery on the parties registered for the Court's CM/ECF system.

/s/ Marvin E. Sprouse III

Marvin E. Sprouse III