

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

In re

**WESCO AIRCRAFT HOLDINGS, INC.,
et al.,¹**

Debtors.

Case No. 23-90611 (DRJ)

Chapter 11

(Joint Administration Requested)

**DEBTORS' EMERGENCY MOTION FOR
ENTRY OF INTERIM AND FINAL ORDERS
(I) AUTHORIZING THEM TO (A) MAINTAIN AND
USE THEIR EXISTING CASH MANAGEMENT
SYSTEM, (B) PAY BANK FEES, (C) UTILIZE EXISTING
BUSINESS FORMS, (D) UTILIZE CREDIT CARDS, AND
(E) ENGAGE IN INTERCOMPANY TRANSACTIONS AND
(II) WAIVING COMPLIANCE WITH SECTION 345(B)**

Emergency relief has been requested. Relief is requested not later than 1:00 p.m. (Central Time) on June 1, 2023.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must either appear at the hearing or file a written response prior to the hearing. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on June 1, 2023 at 1:00 p.m. (Central Time) in Courtroom 400 (Jones), 4th Floor, 515 Rusk, Houston, Texas 77002. Participation at the hearing will only be permitted by an audio and video connection.

¹ The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at <http://www.kccellc.net/incora/>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.



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Audio communication will be by use of the Court’s dial-in facility. You may access the facility at 1 (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Jones’ conference room number is 205691. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Jones’ home page. The meeting code is “Judge Jones”. 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 Jones’ home page. Select the case name, complete the required fields and click “Submit” to complete your appearance.

The above-captioned debtors and debtors in possession (the “**Debtors**” and, together with their non-Debtor subsidiaries, “**Incora**”) respectfully state as follows.

RELIEF REQUESTED

1. By this motion (the “**Motion**”), the Debtors seek entry of interim and final orders (respectively, the “**Interim Order**” and the “**Final Order**”) in the respective forms attached hereto as **Exhibit A-1** and **Exhibit A-2**:

- a) authorizing them to continue using their existing cash management system, business forms, and credit cards;
- b) authorizing them to pay bank fees and related charges;
- c) authorizing them to continue engaging in intercompany transactions with other Debtors and their subsidiaries in the ordinary course of business and granting administrative priority to intercompany claims arising therefrom;
- d) waiving compliance with 11 U.S.C. § 345(b); and
- e) granting related relief.

2. The principal statutory bases for this Motion are sections 105(a), 345(b), 363(b), 363(c), 364, 503, 1107 and 1108 of title 11 of the U.S. Code (as amended, the “**Bankruptcy Code**”), Rule 6003 and 6004 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”), and Rule 9013-1(b) of the Bankruptcy Local Rules of the U.S. Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”).

3. In support of this Motion, the Debtors rely upon the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions*, filed concurrently with this Motion (the “**First Day Declaration**”).²

² Capitalized terms used but not defined in this Motion have the meanings ascribed to them in the First Day Declaration.

JURISDICTION AND VENUE

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This Motion is a core proceeding under 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

I. GENERAL BACKGROUND

5. Incora is a provider of supply chain management services in several industries and the largest independent distribution and supply chain services provider in the global civilian and military aerospace industry. In its distribution business, Incora offers aerospace hardware and parts, electronic products, chemicals, and tooling products, which it procures, tracks and provides to customers from service centers around the world. In its service business, Incora manages all aspects of its customers' supply chains, including procurement, warehouse management, and on-site customer services, offering both customized supply-chain management plans and ad hoc direct sales. In both lines, timely delivery of necessary hardware and chemicals is critical to the business operations of Incora and its civilian and military customers.

6. On June 1, 2023 (the "*Petition Date*"), each Debtor commenced a voluntary case under chapter 11 of the Bankruptcy Code in this Court. The Debtors have requested joint administration of their chapter 11 cases for procedural purposes. The Debtors are operating their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner or official committee has been appointed.

7. Additional information regarding the Debtors' businesses, assets, capital structure, and the circumstances leading to the filing of these chapter 11 cases is set forth in the First Day Declaration.

II. THE CASH MANAGEMENT SYSTEM

A. Overview

8. In the ordinary course of business, Incora has historically used a complex global cash management system (the “*Cash Management System*”) to collect receipts, pay invoices, make payroll, and fund its global operations. The Cash Management System is similar in scope, structure, and complexity to centralized cash management systems used by comparable companies to manage cash flow. It allows Incora to efficiently collect and transfer cash generated by its businesses and pay its obligations. It also enables Incora to facilitate cash forecasting and reporting, monitor collection and disbursement of funds, allocate working capital across its global operations, and maintain control over its bank accounts. In all respects, under the Cash Management System the accounting for each Debtor is separately maintained and tracked in accordance with generally accepted accounting procedures and requirements.

9. The Cash Management System is divided into four geographic segments: (a) the U.S. system (the “*U.S. Cash Management System*”), which primarily serves the U.S. Debtors, (b) the Canadian system (the “*Canada Cash Management System*”), which primarily serves the Canadian Debtors; (c) the UK system (the “*UK Cash Management System*”), which primarily serves the UK Debtors, and (d) the rest-of-world system (the “*ROW Cash Management System*”), which includes other overseas accounts controlled by certain Debtors. Segments of each system are also used to support the operations of the Debtors’ non-Debtor subsidiaries across the globe.

10. At a high level, the U.S. Cash Management System and the Canadian Cash Management System automatically sweep the proceeds of customer receipts—deposited into zero balance accounts (each, a “*ZBA*”)—into master accounts (the “*Master Accounts*”) denominated in U.S. dollars (“*USD*”) and Canadian dollars (“*CAD*”).³ Funds from the Master Accounts are then

³ On May 19, 2023, JPMC Bank (as defined below) temporarily disabled the ZBA function and the Debtors are currently manually sweeping funds between the ZBAs and Master Accounts. The Debtors anticipate that the ZBA function will be reactivated in the near term, postpetition.

distributed to the various disbursement accounts to satisfy Incora's U.S. and Canadian financial obligations, including payroll and ordinary course operations.

11. The UK Cash Management System includes both depository accounts and disbursement accounts in a variety of currency denominations. The UK Cash Management System does not include a master account, but certain UK depository accounts may be manually swept into the Master Accounts. The ROW Cash Management System includes a number of standalone (primarily operating) accounts in several countries.

12. The Cash Management System is illustrated by the diagram attached to this Motion as **Exhibit B**. The Cash Management System includes a total of 62 bank accounts in the name of one of the Debtors (together with any bank accounts that the Debtors may open in the ordinary course of business and in accordance with the orders of the Court entered in connection with this Motion, the "**Bank Accounts**")⁴, 20 of which are maintained in the United States (18 on behalf of U.S. entities and 2 on behalf of international entities), 17 of which are maintained in the United Kingdom (13 on behalf of UK entities and 4 on behalf of non-UK entities), 7 of which are maintained in Canada (4 on behalf of Canadian entities and 3 on behalf of non-Canadian entities), and 18 that are maintained in other countries (6 in Israel, 5 in Poland, 4 in Mexico, 1 in Germany, and 2 in Argentina). A list of the current Bank Accounts is attached hereto as **Exhibit C**.⁵ The Bank Accounts are maintained by 18 Debtors at 9 different financial institutions (collectively, the "**Banks**") as follows:

Bank	Number of Accounts	Approx. Amount Held as of May 30, 2023
JPMorgan Chase Bank (" JPMC Bank ")	41	\$28,860,000
Bank Hapoalim	5	\$2,557,000

⁴ The Debtors also maintain one petty cash account internally, which, for the avoidance of doubt, is not considered a Bank Account.

⁵ The Debtors believe that **Exhibit C** is a complete list of all current Bank Accounts. To the extent that any Bank Account has been inadvertently omitted from that list, the Debtors request that any order granting the relief sought herein apply to all such Bank Accounts. For the avoidance of doubt, **Exhibit C** does not include any bank accounts owned by non-Debtors.

Bank	Number of Accounts	Approx. Amount Held as of May 30, 2023
Santander Bank	5	\$257,000
Comerica Bank	3	\$0
BBVA Bancomer, S.A.	2	\$1,560,000
PNC Bank	2	\$316,000
Wells Fargo Bank, N.A.	2	\$750,000
Bank Leumi	1	\$131,000
MUFG Bank, Ltd.	1	\$18,000

13. The Debtors' treasury department maintains daily oversight over the Cash Management System and implements controls for depositing, processing and releasing funds. Additionally, the Debtors' corporate accounting and treasury departments regularly reconcile their books and records to ensure that all transfers are properly accounted for.

14. As described herein and in the First Day Declaration, given the economic and operational scale of the Debtors' businesses, any disruption to the Cash Management System would have an immediate adverse effect on the Debtors' operations to the detriment of their estates and stakeholders. To minimize the disruption caused by the filing of these chapter 11 cases and to maximize the value of the Debtors' estates, the Debtors request authority to continue utilizing the existing Cash Management System, subject to the terms described herein.

B. Description of the Funds Processing

15. As a complex global enterprise, Incora depends on the efficient collection, transfer, and disbursement of funds. The Cash Management System is tailored to meet Incora's operating needs, enabling it to control and monitor company funds, ensure cash availability and liquidity, comply with requirements in its financing arrangements, and reduce administrative expenses incurred in connection with the movement of funds and the reporting of accurate account balances. The Debtors estimate that, on a monthly basis, approximately \$165 million in cash collected from their operations flows through the Cash Management System. The cash receipts mainly come from

Incora’s customers.⁶ Customer receipts (consisting of wires, automated clearing house (“*ACH*”) transfers and checks) are deposited into Bank Accounts controlled by both the Debtors and by certain of their non-Debtor subsidiaries. The Cash Management System spans several countries and holds funds in at least 10 different currencies. Cash then moves through the Cash Management System as described below.

1. U.S. Cash Management System Summary

16. In the United States, deposits—primarily derived from the Debtors’ operations in the United States and Canada—are made into one of two zero balance collection accounts, which are swept daily into a U.S. Master Account (the “*U.S. Master Account*”). These deposits are denominated in USD. The U.S. Master Account is maintained at JPMC Bank by Wesco Aircraft Hardware Corp. When funds are needed to fund the Debtors’ U.S. operating expenses, they are transferred from the U.S. Master Account automatically into payroll, disbursement, and operating ZBAs. The U.S. Cash Management System includes two payroll ZBAs, two disbursement ZBAs, and one operating ZBA.

17. Additionally, the Debtors maintain 12 standalone accounts in the U.S. (the “*U.S. Standalone Accounts*”). The U.S. Standalone Accounts are generally used to collect and disburse funds in foreign currencies, including Euros, Great British Pounds, CAD, and Mexican Pesos. To the extent that funds from the U.S. Standalone Accounts are swept into and out of the U.S. Master Account, it is done manually.

2. Canada Cash Management System Summary

18. Similar to the U.S. Cash Management System, the Canada Cash Management System concentrates funds in a USD-denominated Master Account and a CAD-denominated

⁶ Prior to April 10, 2023, the Debtors also periodically received cash from Katsumi Servicing, LLC (“*Katsumi*”), which previously purchased certain receivables from the Debtors’ pursuant to a factoring facility (the “*Katsumi Factoring Facility*”). As of the Petition Date, certain receivables purchased by Katsumi pursuant to the Katsumi Factoring Facility remain outstanding. When the Debtors collect on any receivables that Katsumi has purchased, the collected funds are remitted to Katsumi. Out of an abundance of caution, the Debtors seek authority to continue to remit such funds on account of receivables sold to Katsumi prepetition consistent with prepetition practices.

Master Account (the “*Canada Master Accounts*”). Deposits are made either directly into one of the Canada Master Accounts or into one of the two operating ZBAs (one USD-denominated ZBA and one CAD-denominated ZBA). The Canadian ZBAs are swept daily into the corresponding Canada Master Account. Funds held in the Canada Master Accounts are periodically swept into the U.S. Master Account. The Canada Master Accounts are maintained at JPMC Bank by Wesco Aircraft Canada, Inc. When funds are needed to fund the Debtors’ operating expenses in Canada, they are transferred either directly from the Canada Master Accounts or through the operating ZBAs.

19. Additionally, the Debtors maintain 3 standalone accounts in Canada (the “*Canada Standalone Accounts*”). Two of the Canada Standalone Accounts are generally utilized to collect and disburse funds in foreign currencies. One Canada Standalone Account is maintained for tax purposes.

3. *UK Cash Management System Summary*

20. The UK Cash Management System does not use a separate concentration account. Instead, the UK Cash Management System consists of 16 standalone operating accounts (the “*UK Standalone Operating Accounts*”) and one standalone collection account (the “*UK Standalone Collections Account*”) and, together with the UK Standalone Operating Accounts, the “*UK Standalone Accounts*”). The UK Cash Management System also includes an internally maintained petty cash account (the “*UK Standalone Petty Cash Account*”) that is used to fund employee-related travel expenses and per diem in lieu of T&E Cards (as defined below). UK Standalone Operating Accounts are denominated in a variety of foreign currencies. Collections and disbursements, including payroll, are made into and out of the relevant currency denominated UK Standalone Operating Account. Funds within the UK Cash Management System are manually transferred as needed both between or among accounts controlled by the same Debtor and between or among accounts of a Debtor to accounts of other Debtors or non-Debtor subsidiaries. Some Bank Accounts in the UK Cash Management System may be manually swept into the U.S. Master

Account. Funds processed through the UK Cash Management System are generally on account of Incora’s European business segments.

21. Additionally, the UK Cash Management System is used to fund payroll for two of the Debtors’ non-Debtor subsidiaries domiciled in Poland. Debtor Pattonair Limited—through a UK Standalone Operating Account (JPMC Bank (x3869))—funds an account with Santander Bank (x2462) owned by non-Debtor Pattonair Poland Sp. z. o. o. (“*Pattonair Poland*”) which remits approximately \$700,000 a month to fund the payroll of Pattonair Poland and Haas Group International SP z.o.o. (“*Haas Group International SP*”). In the ordinary course, Pattonair Poland and Haas Group International SP, provide shared services for the benefit of Incora’s European operations, which particularly benefit the UK Debtor entities.

4. *ROW Cash Management System Summary*

22. The ROW Cash Management System includes 18 Debtor-controlled Bank Accounts in Argentina, Israel, Mexico, and Poland. Of these Bank Accounts, 13 are currency denominated operating accounts (the “*ROW Standalone Operating Accounts*”), 3 are value added tax accounts (the “*ROW VAT Accounts*”), one is a standalone pay-card account (the “*ROW Standalone P-Card Account*”), and one is a standalone collections account (the “*ROW Standalone Collections Account*”).

C. *Bank Accounts Summary*⁷

23. The following table describes each Bank Account:

Accounts	Description
U.S. Cash Management System	
U.S. Master Account <i>1 Account</i>	Wesco Aircraft Hardware Corp. maintains the Master Account at JPMC Bank. Funds are swept to the Master Account daily from U.S. and Canadian operations. Funds to and from the UK and ROW Cash Management Systems are occasionally transferred into and out of the U.S. Master Account, as necessary.

⁷ The table is intended to provide a general description of the Bank Accounts. Any Bank Account may fall within more than one category described herein. Certain Bank Accounts, including the Debtors’ Master Accounts, are

Accounts	Description	
U.S. ZBAs <i>2 Collections ZBAs</i> <i>2 Payroll ZBAs</i> <i>2 Disbursement ZBAs</i> <i>1 Operating ZBA</i>	Collections ZBAs	Each of Wesco Aircraft Hardware Corp. and Haas Group International, LLC maintains a collections ZBA at JPMC Bank, into which customer receipts in USD are deposited. These accounts are automatically swept daily to the U.S. Master Account.
	Payroll ZBAs	Each of Wesco Aircraft Hardware Corp. and Haas Group International, LLC maintains a payroll ZBA at JPMC Bank, used to fund payroll for the U.S. Debtors. These accounts are funded automatically, as necessary, from the U.S. Master Account.
	Disbursement ZBAs	Each of Wesco Aircraft Hardware Corp. and Haas Group International, LLC maintains a disbursement ZBA at JPMC Bank, used to fund vendor disbursements for the U.S. Debtors. These accounts are funded automatically, as necessary, from the U.S. Master Account.
	Operating ZBA	Net MRO, LLC maintains an operating ZBA at JPMC Bank, used to collect customer receipts and make vendor disbursements. Receipts deposited into this account are automatically swept into the U.S. Master Account daily, and disbursements are automatically transferred from the U.S. Master Account as necessary.
U.S. Standalone Accounts <i>10 Standalone Operating Accounts</i> <i>2 Standalone Collections Accounts</i>	Standalone Operating Accounts	Certain Debtors maintain 10 standalone USD-denominated operating accounts, at 5 Banks which are used to collect receipts and make disbursements.
	Standalone Collections Accounts	Each of Wesco Aircraft Hardware Corp. and Pattonair USA, Inc. maintains a USD-denominated standalone collection account at PNC Bank and Wells Fargo Bank, respectively, used to collect customer receipts.
Canada Cash Management System		

subject to deposit account control agreements in favor of Bank of America, N.A., as collateral agent under the Debtors' Prepetition ABL Credit Agreement (the "**ABL Agent**"), and Wilmington Savings Fund Society, FSB, as collateral agent under the Debtors' Prepetition 1L Notes Indenture and Prepetition 2L Notes Indenture (the "**Notes Collateral Agent**").

Accounts	Description	
Canada Master Accounts <i>2 Accounts</i>	Wesco Aircraft Canada, Inc. maintains two Canada Master Accounts, one USD-denominated and one CAD-denominated, at JPMC Bank, used to collect customer receipts, fund payroll, and make vendor disbursements. Funds from the Canada ZBAs are automatically swept into the Canada Master Accounts daily, and the Canada Master Accounts are periodically swept into the U.S. Master Account.	
Canada ZBAs <i>2 Operating ZBAs</i>	Haas Group Canada, Inc. maintains two operating ZBAs, one USD-denominated and one CAD-denominated, at JPMC Bank, used to collect customer receipts and make payroll and vendor disbursements. Receipts deposited into these accounts are automatically swept into the Canada Master Accounts daily, and disbursements are transferred from the Canada Master Accounts as necessary.	
Canada Standalone Accounts <i>2 Standalone Operating Accounts</i> <i>1 Standalone Tax Account</i>	Standalone Operating Accounts	Wesco Aircraft Hardware Corp. and Pattonair USA, Inc. maintain 2 CAD-denominated standalone operating accounts at JPMC Bank used to collect receipts and make disbursements.
	Standalone Tax Account	Pattonair (Derby) Ltd maintains a CAD-denominated standalone tax account at JPMC Bank, which is used to fund certain payments to Canadian taxing authorities.
UK Cash Management System		
UK Standalone Collections Account <i>16 Standalone Operating Accounts</i> <i>1 Standalone Collections Account</i>	Standalone Operating Accounts	Certain Debtors maintain 16 standalone operating accounts at JPMC Bank, used to collect receipts and make disbursements in various currencies.
	Standalone Collections Account	Wesco Aircraft Hardware Corp. maintains a Euro-denominated standalone collections account at JPMC Bank, used to collect customer receipts.
UK Petty Cash Account <i>1 Account</i>	Pattonair (Derby) Ltd holds <i>de minimis</i> funds in an internally maintained petty cash account.	
ROW Cash Management System		
ROW Standalone Accounts <i>13 Standalone Operating Accounts</i> <i>1 Standalone P-Card Account</i>	Standalone Operating Accounts	Certain Debtors maintain 13 standalone operating accounts at 4 Banks, used to collect receipts and make disbursements in various foreign currencies.
	Standalone P-Card Account	Haas TCM de Mexico S. de R.L. de C.V. maintains a Mexican peso-denominated Standalone P-Card Account at BBVA Bancomer, used to pay certain credit card obligations.

Accounts	Description	
<i>1 Standalone Collections Account</i>	Standalone Collections Account	Adams Aviation Limited maintains a Euro-denominated standalone collections account at JPMC Bank, used to collect customer receipts.
VAT Accounts <i>3 Accounts</i>	Each of Pattonair Limited, Wesco Aircraft EMEA Ltd, and Haas TCM of Israel, Inc. maintains a VAT Account at Santander Bank, JPMC Bank, and Bank Hapoalim, respectively. The VAT Accounts are used to fund certain tax payments in the applicable jurisdiction.	

D. Bank Fees

24. In the ordinary course of business, the Debtors incur and pay, honor, or allow to be deducted from the appropriate Bank Accounts, service fees and other charges and costs charged by the Banks on account of the Bank Accounts (collectively, the “**Bank Fees**”). The Debtors estimate that \$100,000 in Bank Fees were due and owing as of the Petition Date.

25. To maintain the integrity of the Cash Management System, the Debtors respectfully request authority to pay both the Bank Fees that are due and owing on the Petition Date and those that will be charged postpetition on account of prepetition transactions, along with those which are otherwise approved for processing under separate orders from the Court with respect to other first day relief, as well as to continue paying Bank Fees in the ordinary course of business postpetition.

III. EXISTING CHECKS AND OTHER BUSINESS FORMS

26. In the ordinary course of business, the Debtors use numerous business forms, including, without limitation, checks, correspondence forms, business cards, letterhead, purchase orders and invoices (collectively, the “**Business Forms**”). To minimize expense to their estates and avoid confusion on the part of employees, customers and suppliers, the Debtors respectfully request that the Court authorize them to continue to use all Business Forms as they existed immediately prior to the Petition Date without reference to the Debtors’ status as debtors in possession.

27. Nevertheless, the Debtors will ensure that, to the extent reasonably practicable, any checks that are generated electronically are clearly labeled “debtor-in-possession.” Moreover, to

the extent the Debtors purchase or print any new paper checks once the current stock has been depleted, such new checks will also include the designation “debtor-in-possession” to the extent reasonably practicable.

IV. CREDIT CARD PROGRAMS

28. Essential to the operation of the Debtors’ businesses, is the ability of their employees to use corporate credit cards. As of the Petition Date, approximately 25 purchasing cards (“*P-Cards*”) and approximately 321 travel and expense cards (“*T&E Cards*” together, with the P-Cards, the “*Credit Cards*”) had been issued by American Express and six other banks. P-Cards are used to pay for the procurement of office supplies, inventory, utilities, and other goods and services which are used in the ordinary course of the Debtors’ business. T&E Cards are used by employees to procure travel and related expenses in the ordinary course of business. Credit Cards are paid by the Debtors as part of their accounts payable. Use of the Credit Cards is an integral part of the Debtors’ cash management and account functions, and continuation of the ability of the Debtors’ employees to use Credit Cards is essential to the continued operation of the Debtors’ business.

29. The combined average monthly spending on the Credit Cards is approximately \$3,000,000, which is repaid in at least monthly installments. The aggregate credit limit on the Credit Cards is \$4,500,000, of which \$3,000,000 is attributable to fifteen active P-Cards, each issued by JPMC Bank. The Debtors respectfully request authority to pay the amounts owed on account of the Credit Cards, including those that were due and owing on the Petition Date and those that will be charged postpetition on account of prepetition transactions, as well as to continue to pay all amounts associated with the use of the Credit Cards in the ordinary course of business postpetition.

V. INTERCOMPANY TRANSACTIONS

30. Incora is a global enterprise operated under common management. As such, the Debtors engage in business transactions with one another and with their non-Debtor subsidiaries for the benefit of the collective enterprise (collectively, the “*Intercompany Transactions*”) that

result in intercompany receivables and payables (the “*Intercompany Claims*”). Intercompany Transactions include, among other things, inventory purchases, payroll funding, furniture and equipment purchasing, and payments to maintain insurance policies. Intercompany Transactions are an essential component of Incora’s complex global operations, and they are integral to Incora’s ability to provide enterprise-wide management and support services, and otherwise to conduct its global operations. Because Incora’s overseas operations are often reliant on currency denominated standalone operating accounts, Intercompany Transactions between foreign entities are often facilitated by transferring funds through the U.S. Master Account. Such transfers are manually entered and completed as necessary, with proper accounting made as between each Incora entity.

31. Intercompany Claims are reflected as journal entry receivables and payables, as applicable, in the respective Debtors’ (and their non-Debtor subsidiaries’) accounting systems. The Debtors’ accounting reconciliation software is used to report and consolidate the Intercompany Claims. In certain instances, Intercompany Claims are documented through intercompany notes and/or loan agreements. The Debtors generally account for the Intercompany Transactions as they occur and reconcile the resulting Intercompany Claims monthly.

32. The Debtors’ global finance team meets weekly to discuss the Debtors’ cash position. The Debtors track all fund transfers in their respective accounting systems and can ascertain, trace, and account for all Intercompany Transactions. The Debtors will continue to track postpetition Intercompany Transactions consistent with historical practice.

33. The Debtors accounting, financial, and senior management teams would be unduly burdened, both financially and logistically, if they were required to halt Intercompany Transactions or otherwise make material changes to the Cash Management System. Such disruption would be detrimental to the Debtors’ business operations, would destroy creditor value, and would ultimately harm the Debtors’ stakeholders. The Debtors accordingly seek authority to continue the Intercompany Transactions in the ordinary course of business consistent with past practice and ask the Court to grant administrative expense priority status to all postpetition Intercompany Claims. The Debtors are able to continue to closely monitor and record the Intercompany Transactions.

BASES FOR RELIEF

I. THE COURT SHOULD APPROVE THE DEBTORS' CONTINUED USE OF THE CASH MANAGEMENT SYSTEM.

34. The *Region 7 Guidelines for Debtors-in-Possession* (the “*U.S. Trustee Guidelines*”) require debtors in possession to, among other things: (a) close all existing bank accounts and open new debtor-in-possession bank accounts, (b) establish one debtor-in-possession account for all estate monies required for payment of taxes including payroll taxes, (c) physically set aside all monies required by law to be withheld from employees or collected from others for taxes, (d) open a new set of books and records as of the commencement date of the case, (e) use new business forms indicating the debtor-in-possession status of the chapter 11 debtor, including checks that bear the designation “debtor-in-possession” and reference the bankruptcy case number on such checks, and (f) make all disbursements of estate funds by check with a notation representing the reason for the disbursement. The U.S. Trustee Guidelines are intended to provide a clear line of demarcation between prepetition and postpetition transactions and to prevent inadvertent payment of prepetition claims.

35. Considering the breadth and complexity of the Debtors’ international businesses and financial affairs and the sheer volume of collections, disbursements, and movement of funds through the Cash Management System on a daily basis, enforcement of these provisions of the U.S. Trustee Guidelines would severely disrupt, if not cripple, the Debtors’ worldwide operations. Requiring the Debtors to close Bank Accounts and adopt new, segmented cash management systems for each Debtor would be expensive, time-consuming, burdensome, and unnecessarily disruptive to the Debtors’ operations, thus needlessly reducing the value of the Debtors’ estates to the detriment of their creditors. Accordingly, the Debtors request authority to continue using the Cash Management System in the same manner as it was used on the Petition Date, with the ability to modify it in the ordinary course.

36. Continuation of the Cash Management System is permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to “use property of

the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). Bankruptcy courts treat requests for authority to continue utilizing existing cash management systems as a relatively “simple matter” (*In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987)) and have recognized that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys. Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff’d in part and rev’d in part*, 997 F.2d 1039 (3d Cir. 1993). As a result, courts have concluded that the requirement to maintain all accounts separately “would be a huge administrative burden and economically inefficient.” *Columbia Gas*, 997 F.2d at 1061; *see also Southmark Corp. v. Grosz (In re Southmark Corp.)*, 49 F.3d 1111, 1114 (5th Cir. 1995) (noting cash management system allows debtor “to administer more efficiently and effectively its financial operations and assets”).

37. Even if use of the Cash Management System and other relief requested herein were outside of the ordinary course of business, the Court may grant such relief pursuant to section 363(b) of the Bankruptcy Code. Section 363(b) of the Bankruptcy Code provides, in relevant part, that “[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Courts in the Fifth Circuit have granted a debtor’s request to use property of the estate outside of the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code upon a finding that such use is supported by sound business reasons. *See, e.g., In re BNP Petrol. Corp.*, 642 F. App’x 429, 435 (5th Cir. 2016); *In re Cont’l Air Lines*, 780 F.2d 1223, 1226 (5th Cir. 1986).

38. The Cash Management System provides the Debtors with the ability to, among other things, quickly assess the location and amount of funds, which, in turn, allows management to track and control such funds, ensure cash availability to companies located throughout the world, and reduce administrative costs through a centralized coordination of collection and movement of funds. In light of the size and complexity of the Debtors’ global operations, any disruption to the Cash Management System could have a severe adverse effect on the Debtors’

restructuring efforts, the cost of which would ultimately be borne by the Debtors' creditors and other stakeholders. By contrast, maintaining the Cash Management System will facilitate the Debtors' seamless transition into chapter 11 by, among other things, minimizing delays in paying postpetition debts and eliminating administrative inefficiencies. Finally, maintaining the Cash Management System will allow the Debtors' treasury and accounting employees to focus on their daily responsibilities, as well as the extraordinary responsibilities associated with the chapter 11 cases, as opposed to constructing new cash management systems.

39. Parties in interest will not be harmed by the maintenance of the Cash Management System, including maintenance of the Bank Accounts and Intercompany Transactions, because the Debtors have implemented appropriate mechanisms to ensure that they will not make unauthorized payments on account of prepetition obligations. Specifically, with the assistance of their advisors, the Debtors have implemented internal control procedures that limit the opening of new accounts, even in the ordinary course, and prohibit any payments on account of prepetition debts without prior approval of the Debtors' treasury department. In light of the foregoing, maintaining the Cash Management System is in the best interests of the Debtors' estates and creditors.

II. THE COURT SHOULD AUTHORIZE THE BANKS TO CONTINUE TO MAINTAIN, SERVICE, AND ADMINISTER THE BANK ACCOUNTS.

40. The Debtors ask that the Court authorize and direct the Banks to receive, process, honor, and pay, to the extent funds are available in each applicable Bank Account, any and all checks, electronic funds transfers, credit card, ACH payments and other instructions and drafts payable through, or drawn or directed on, the Bank Accounts after the Petition Date, to the extent consistent with the Court's orders on the Debtors' first day motions, irrespective of whether such checks, drafts, electronic fund transfers, credit card, or ACH payments are dated prior or subsequent to the Petition Date.

41. Considering the breadth and complexity of their international operations, the Debtors need to conduct transactions by debit, electronic fund, ACH payments, and other similar methods. If the Debtors are denied the opportunity to conduct transactions by debit, electronic

fund, ACH payments, or other methods used in the ordinary course of business, the Debtors likely would have difficulty performing on their contracts and the Debtors' business operations would be disrupted unnecessarily, burdening the Debtors and their creditors with additional costs.

42. The Debtors also request that, to the extent a Bank honors a prepetition check or other item drawn on any Bank Account, either at the direction of the Debtors or in a good-faith belief that the Court has authorized such prepetition check or item to be honored, the Bank will not be deemed liable to the Debtors or their estates on account of that prepetition check or other item honored postpetition. Such relief is reasonable and appropriate because the Banks are not in a position to independently verify whether the Debtors may pay a particular item in accordance with the Court's order or otherwise and must rely upon the direction of the Debtors as part of the initial relief sought from the Court.

III. PAYMENT OF THE BANK FEES AND PREPETITION OBLIGATIONS RELATED TO THE BANK ACCOUNTS WILL FACILITATE A SEAMLESS TRANSITION INTO CHAPTER 11 AND BENEFIT THE ESTATES.

43. The Debtors also respectfully request that the Court authorize them to continue to pay all Bank Fees. The Debtors believe that they have authority to pay continue satisfying these obligations as they arise during these chapter 11 cases because such payments arise in the ordinary course. *See* 11 U.S.C. § 363(c) ("If the business of the debtor is authorized to be operated under section . . . 1108 . . . and unless the court orders otherwise, the trustee may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business, without notice or a hearing, and may use property of the estate in the ordinary course of business without notice or a hearing."). However, this motion seeks authority to pay such fees and satisfy such obligations out of an abundance of caution and in the event that payment of these obligations is not considered ordinary course.

44. Authority to make such payments is necessary to the Debtors' operations, which are predicated on an uninterrupted flow of funds between Bank Accounts. If the Debtors do not pay the Bank Fees, then their relationships with the Banks, which are crucial to their ongoing business operations, may be materially damaged. Further, the Debtors' management and advisors

may be forced to spend time and resources on unnecessary disputes with the Banks at this critical early stage of the cases. The Debtors believe that any interference or delay in any of these programs is unnecessary and unduly burdensome.

45. As to those Bank Fees that accrued prepetition or that accrued postpetition on account of prepetition transactions, the Debtors submit that the Court has the authority to authorize such payment under section 363(b) of the Bankruptcy Code. Section 363(b) permits a debtor to, subject to court approval, pay prepetition obligations where a sound business purpose exists for doing so. *See In re Ionosphere Clubs*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (noting that section 363(b) of the Bankruptcy Code provides “broad flexibility” to authorize a debtor to honor prepetition claims where supported by an appropriate business justification). In addition, under section 1107(a) of the Bankruptcy Code, there is an “implied duty of the debtor-in-possession to ‘protect and preserve the estate, including an operating business’ going-concern value.” *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *In re CoServ, L.L.C.*, 273 B.R. 368, 369 (Bankr. S.D. Tex. 2000); *see also In re Equalnet Commc’ns Corp.*, 258 B.R. 368, 369 (5th Cir. 2000) (noting that courts authorize debtors to pay, outside of a plan, prepetition claims from “business transactions which are at once individually minute but collectively immense and critical to the survival of the business of the debtor”).

46. Finally, under section 105(a) of the Bankruptcy Code, “the Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of the Bankruptcy Code.” 11 U.S.C. § 105(a); *see also In re CoServ*, 273 B.R. at 492, 497 (finding that sections 105 and 1107 of the Bankruptcy Code provide the authority for a debtor in possession to pay prepetition claims); *In re Mirant Corp.*, 296 B.R. 427, 429 (Bankr. N.D. Tex. 2003) (noting that non-payment of prepetition claims may seriously damage a debtor’s business). Section 105(a) has been interpreted to authorize postpetition payment of prepetition claims when the payments are critical to preserving the going-concern value of the debtor’s estate, as is the case here. *See, e.g., In re CoServ*, 273 B.R. at 497 (“[I]t is only logical that the bankruptcy court be able to use

[s]ection 105(a) of the [Bankruptcy] Code to authorize satisfaction of the prepetition claim in aid of preservation or enhancement of the estate.”).

47. In light of the material benefit of paying the Bank Fees in the ordinary course especially as compared to the relatively modest amount of the Bank Fees, the Debtors respectfully submit that the requested relief is warranted under the circumstances. The Debtors further note that the Banks will likely have setoff rights with respect to the Bank Fees. Thus, payment of prepetition Bank Fees will not alter the position of unsecured creditors.

IV. THE COURT SHOULD AUTHORIZE THE DEBTORS TO CONTINUE USING THEIR EXISTING CHECKS AND BUSINESS FORMS.

48. The U.S. Trustee Guidelines require debtors in possession to use new business forms indicating their debtor-in-possession status, including checks that must bear the designation “debtor-in-possession” and reference the bankruptcy case number. To avoid disruption of their operations and unnecessary expense, the Debtors request that they be authorized to continue to use their Business Forms, including their existing stock of pre-printed checks, as they existed immediately before the Petition Date, without reference to their status as debtors-in-possession. Parties doing business with the Debtors are expected to be aware of the Debtors’ statuses as debtors in possession and, thus, changing the Business Forms would unnecessarily create additional expense and burden for the estates.

49. In other chapter 11 cases, courts in this district have allowed debtors to use their prepetition pre-printed checks without the “debtor-in-possession” legend. Nevertheless, to the extent reasonably practicable, any check electronically produced by the Debtors within 10 business days of entry of the Interim Order will include the reference to the Debtors’ status as “Debtors-in-Possession” and the case number of these jointly administered cases. In addition, if the Debtors re-order paper checks during these cases, they will include the designation “Debtors-in-Possession” and case number on such checks to the extent reasonably practicable.

V. THE DEBTORS SHOULD BE AUTHORIZED TO MAINTAIN THEIR CREDIT CARDS AND TO PAY OBLIGATIONS RELATED THERETO.

50. As stated above, under section 363(c)(1) of the Bankruptcy Code, a debtor may use property of the estate in the ordinary course of business without court authorization. Employees' use of the Credit Cards falls within the ordinary course of business; the use of business credit cards is widespread as a means of facilitating day-to-day business activities. As a result, the Debtors believe that they do not require the Court's approval to continue using the Credit Cards. Nonetheless, out of an abundance of caution, the Debtors request authority to continue using the Credit Cards in the ordinary course of business and pay all postpetition obligations related thereto.

51. With respect to the payment of any amounts related to the prepetition period, the Debtors request authority to do so pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code. Continued use of the Credit Cards is integral to the stability of the Debtors' business. The Debtors rely on the ability of their employees to pay for expenses incurred in the ordinary course and make other work-related purchases necessary to fulfill their professional obligations. If the Debtors do not pay the amounts owing under the Credit Cards as of the Petition Date, there is a significant risk that the Credit Cards issuers could restrict the Debtors' access to the Credit Cards. Accordingly, the Debtors should be authorized to pay any amounts owing on account of the Credit Cards, without regard to whether such amounts accrued or arose before the Petition Date.

VI. THE COURT SHOULD AUTHORIZE INTERCOMPANY TRANSACTIONS AND GRANT ADMINISTRATIVE EXPENSE STATUS TO POSTPETITION INTERCOMPANY CLAIMS.

52. The Debtors respectfully submit that postpetition Intercompany Transactions arising in the ordinary course are authorized as a matter of law pursuant to section 363(c)(1) of the Bankruptcy Code and no additional relief is required. However, out of an abundance of caution, the Debtors respectfully request authority to continue the Intercompany Transactions in the ordinary course of business, consistent with historical practice, as well as pay all Intercompany Claims in the ordinary course, including those that arose prior to the Petition Date

53. Allowing the Debtors to engage in postpetition Intercompany Transactions in the ordinary course of business is in the best interests of the Debtors' estates and their creditors. The Debtors will continue to maintain records of all Intercompany Transactions and Intercompany Claims. If Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls would be disruptive to the Debtors' and their estates' detriment.

54. Further, authorizing the Debtors to continue engaging in Intercompany Transactions with their non-Debtor subsidiaries is warranted under the circumstances. If any of the non-Debtor subsidiaries were to be severed from the Cash Management System, it may not be able to meet its obligations as they come due, which may in turn have value-destructive consequences across the entire IncoRa corporate structure, as many of IncoRa's customers depend on both Debtor entities and non-Debtor subsidiaries to provide services. The continued practice of Intercompany Transactions, consistent with prepetition practice, is in the best interests of the Debtors' estates and their creditors. The Debtors request the authority to continue engaging in Intercompany Transactions in the ordinary course of business.

55. To ensure that the Debtors' creditors are protected, the Debtors request that each Intercompany Claim involving postpetition payment (or other transfer of cash) from a Debtor to another Debtor or a Debtors' non-Debtor subsidiary be granted administrative expense status under sections 364(b) and 503(b) of the Bankruptcy Code.⁸ This relief will ensure that each entity will continue to bear ultimate payment responsibility for the applicable ordinary course transactions, thereby reducing the risk that these transactions would jeopardize the recoveries available to any Debtor's creditors.

56. Courts in this district have granted similar relief in other complex multi-debtor chapter 11 cases. *See, e.g., In re Carlson Travel, Inc.*, No. 21-90017 (MI) (Bankr. S.D. Tex. Nov. 12, 2021) [ECF No. 97]; *In re Basic Energy Servs., Inc.*, No. 21-90002 (DRJ) (Bankr.

⁸ The Debtors reserve the right to dispute any Intercompany Claim (or payment made on account of an Intercompany Transaction) on any ground and to seek to avoid such a claim or payment.

S.D. Tex. Sept. 13, 2021) [ECF No. 339]; *In re CBL & Assocs. Props., Inc.*, No. 20-35226 (DRJ) (Bankr. S.D. Tex. Nov. 23, 2020) [ECF No. 263]; *In re Gavilan Res., LLC*, No. 20-32656 (DRJ) (Bankr. S.D. Tex. June 9, 2020) [ECF No. 111]; *In re Whiting Petroleum Corp.*, No. 20-32021 (DRJ) (Bankr. S.D. Tex. May 6, 2020) [ECF No. 273]; *In re Sheridan Holding Co. I, LLC*, No. 20-31884 (DRJ) (Bankr. S.D. Tex. Mar. 24, 2020) [ECF No. 73]. Similar relief is also appropriate here.

VII. THE COURT SHOULD WAIVE DEPOSITORY AND INVESTMENT REQUIREMENTS.

57. The U.S. Trustee Guidelines require chapter 11 debtors to, among other things, deposit all estate funds into accounts with authorized depositories that agree to comply with the requirements of the United States Trustee for the Southern District of Texas (the “*U.S. Trustee*”).

58. JPMC Bank, Wells Fargo Bank, PNC Bank, and Comerica Bank, where the Debtors collectively maintain 48 of the 62 Bank Accounts are institutions that constitute “authorized depositories” under the U.S. Trustee Guidelines. The remaining Banks—at which the Debtors maintain 14 Bank Accounts—are not authorized depositories. Of those, one Bank Account, maintained at MUFG Bank, is located in the United States and is insured by the Federal Deposit Insurance Corporation (the “*FDIC*”). The remaining thirteen Bank Accounts are maintained overseas at BBVA Bank, Santander Bank, Bank Hapoalim, and Bank Leumi.

59. All of the four Banks holding the remaining Bank Accounts are located outside of the United States and thus are less likely to be identified by the U.S. Trustee as authorized depositories. However, the principal basis for the exclusion of these seven Banks from the U.S. Trustee Guidelines is location—not financial soundness or stability. The Debtors believe that these financial institutions are well-positioned to continue performing depository and cash management functions during the chapter 11 cases. In addition, as outlined above, the balances for the remaining accounts outside of the United States are modest in comparison to those reflected in the authorized depositories. Given the global nature of the Debtors’ operations and cash management requirements, it is not feasible to consolidate all cash activities in the narrow group of financial

institutions approved in the U.S. Trustee Guidelines. Thus, cause exists to allow the Debtors to continue utilizing the existing Banks and Bank Accounts.

60. The Cash Management System is complex and critical to the continued stability of the Debtors' businesses and smooth transition into chapter 11. Requiring the Debtors to transfer any of the Bank Accounts maintained in non-complying Banks to an authorized depository would place a needless and excessive administrative burden on the Debtors and impose significant, value-destructive costs to the Debtors' estates. Further, relocating the Cash Management System to U.S.-only accounts could have potentially significant tax and/or regulatory impact and would require extensive diligence and analysis to ensure that no unwanted or detrimental effects would stem from such a transition. Given the number of international Bank Accounts involved, such an analysis would likely require a significant amount of time and resources at the outset of these chapter 11 cases, all to the detriment of the Debtors' estates. Cause exists to waive the U.S. Trustee Guidelines with respect to the non-authorized depositories and allow the Debtors to continue to maintain the Bank Accounts in the ordinary course of business. In any event, the Debtors will continue to work in good faith with the U.S. Trustee to address any concerns regarding the continued use of these accounts postpetition.

61. The Debtors also seek a waiver of the deposit requirements set forth in section 345 of the Bankruptcy Code. Section 345(a) authorizes deposit or investment of estate funds as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." For deposits that are not "insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith and credit of the United States," section 345(b) of the Bankruptcy Code provides that the estate must require from the entity with which the money is deposited or invested a bond in favor of the United States secured by the undertaking of a corporate security, "unless the court for cause orders otherwise."

62. Courts may waive compliance with section 345 of the Bankruptcy Code for "cause." In evaluating whether "cause" exists, courts have considered a number of factors such as:

- a. the sophistication of the debtor's business;

- b. the size of the debtor's business operations;
- c. the amount of the investments involved;
- d. the bank ratings (Moody's and Standard & Poor) of the financial institutions where the debtor in possession funds are held;
- e. the complexity of the case;
- f. the safeguards in place within the debtor's own business for ensuring the safety of the funds;
- g. the debtor's ability to reorganize in the face of a failure of one or more of the financial institutions;
- h. the benefit to the debtor;
- i. the harm, if any, to the debtor;
- j. the harm, if any, to the estate; and
- k. the reasonableness of the debtor's request for relief from section 345(b) requirements in light of the overall circumstances of the case.

See In re Serv. Merch. Co., 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999).

63. Requiring the Debtors to transfer funds to other banks to be fully in compliance with section 345(b) would be unduly burdensome to the Debtors' operations, which span multiple jurisdictions and currencies, and could cause severe tax and/or regulatory consequences. In addition, the vast majority of the Bank Accounts, are maintained in U.S. Trustee authorized depositories. Even those that are not in authorized depositories are primarily maintained at well-capitalized banks. Those Banks, particularly those located outside of the U.S., are essential to the Debtors' global operations because they enable conversion to local currencies and are otherwise necessary for the Debtors to transact in certain jurisdictions.

EMERGENCY CONSIDERATION

64. Bankruptcy Rule 6003 allows a bankruptcy court to grant relief within the first 21 days of a case "to the extent that relief is necessary to avoid immediate and irreparable harm." Pursuant to that Bankruptcy Rule and Local Rule 9013-1(i), the Debtors request emergency consideration of this Motion. An immediate and orderly transition into chapter 11 is critical to the viability of the Debtors' operations. Failure to receive the requested relief, including continued utilization of the Cash Management System, during the first 21 days of these chapter 11 cases would imperil the Debtors' restructuring and cause irreparable harm. For these reasons, the Debtors

have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003, and the Motion should be granted on an emergency basis.

REQUEST FOR WAIVER OF STAY

65. To implement the foregoing, the Debtors seek a waiver of any stay of the effectiveness of the order approving this Motion. Pursuant to Bankruptcy Rule 6004(h), any “order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” The Debtors submit that the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors for the reasons set forth herein. Accordingly, the Debtors submit that ample cause exists to justify a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h).

RESERVATION OF RIGHTS

66. Nothing in this Motion is intended or should be construed as (a) an implication, admission or concession as to the validity, amount or priority of, or basis for, any claim against any Debtor, (b) a waiver of any Debtor’s or any other party in interest’s right to dispute any claim on any ground, (c) a promise or requirement to pay any claim, (d) a waiver of any claim or cause of action that any Debtor or other party in interest may have against any entity; (e) a ratification, adoption, rejection or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code; (f) a waiver or limitation of any Debtor’s or other party in interest’s rights under any agreement, the Bankruptcy Code or other applicable law; or (g) an implication, admission or concession (i) that any particular claim is of a type specified or defined in the Motion or (ii) any lien, security interest, other encumbrance on property of any Debtor or (ii) other than as set forth in footnote 7 in this Motion, that any lien, security interest, other encumbrance on property of any Debtor or right of setoff is valid, enforceable or perfected (and the Debtors and all other parties in interest expressly reserve and preserve their rights to contest or to seek avoidance of, the same). If the Court grants the relief sought herein, any payment made pursuant to the Court’s order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors’ or any other party in interest’s rights to subsequently dispute such claim.

NOTICE

67. Notice of this Motion will be provided to (a) the Office of the U.S. Trustee for Region 7; (b) the creditors holding the thirty largest unsecured claims, according to the list filed by the Debtors with their petitions and their counsel; (c) the administrative agent for the ABL Facility and its counsel; (d) the indenture trustee for the 1L Notes and its counsel; (e) the indenture trustee for the 1.25L Notes and its counsel; (f) the indenture trustee for the Unsecured Notes and its counsel; (g) the indenture trustee for the PIK Notes and its counsel; (h) Davis Polk & Wardwell LLP and Porter Hedges LLP, as counsel to an ad hoc group of holders of 1L Notes (the “**First Lien Noteholder Group**”); (i) Carlyle Global Credit Investment Management, LLC, and its counsel; (j) Senator Investment Group LP and its counsel; (k) Kobre & Kim LLP as counsel to an ad hoc group of holders of Unsecured Notes; (l) Langur Maize, L.L.C. and its counsel; (m) Katsumi and its counsel; (n) Platinum and its counsel; (o) each of the Banks and credit card issuers and their respective counsel; (p) the Internal Revenue Service; (q) the Office of the U.S. Attorney for the Southern District of Texas; and (r) any other party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice is required under the circumstances.

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Upon the foregoing Motion, the Debtors respectfully request that the Court (a) enter the Interim Order, substantially in the form attached as **Exhibit A-1**, granting this Motion on an interim basis, (b) schedule a hearing for consideration of the Motion on a final basis, (c) at such subsequent hearing, enter the Final Order, substantially in the form attached as **Exhibit A-2**, granting this Motion on a final basis, and (d) grant such other relief as is just and proper.

Dated: June 1, 2023
Houston, TX

Respectfully submitted,

/s/ /Kelli S. Norfleet

Kelli S. Norfleet (TX Bar No. 24070678)
Charles A. Beckham, Jr. (TX Bar No. 02016600)
Martha Wyrick (TX Bar No. 24101606)
HAYNES AND BOONE, LLP
1221 McKinney Street, Suite 4000
Houston, TX 77010
Telephone: 1 (713) 547-2000
Email: Kelli.Norfleet@haynesboone.com
Charles.Beckham@HaynesBoone.com
Martha.Wyrick@HaynesBoone.com

- and -

Dennis F. Dunne (*admitted pro hac vice*)
Samuel A. Khalil (*admitted pro hac vice*)
Benjamin M. Schak (*admitted pro hac vice*)
MILBANK LLP
55 Hudson Yards
New York, NY 10001
Telephone: 1 (212) 530-5000
Email: DDunne@Milbank.com
SKhalil@Milbank.com
BSchak@Milbank.com

*Proposed Counsel to the
Debtors and Debtors in Possession*

CERTIFICATE OF ACCURACY

I certify, pursuant to Local Rule 9013-1(i), that the foregoing statements regarding the nature of the emergency set forth in the foregoing Motion are true and accurate to the best of my knowledge.

Dated: June 1, 2023

/s/ Kelli S. Norfleet

Kelli S. Norfleet

CERTIFICATE OF SERVICE

I certify that, on [•], a true and correct copy of the foregoing document was served through the Electronic Case Filing system of the United States Bankruptcy Court for the Southern District of Texas, and will be served as set forth in the Affidavit of Service to be filed by the Debtors' proposed noticing agent.

Dated: June 1, 2023

/s/ Kelli S. Norfleet

Kelli S. Norfleet

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

In re

**WESCO AIRCRAFT HOLDINGS, INC.,
et al.,¹**

Debtors.

Case No. 23-90611 (DRJ)

Chapter 11

(Joint Administration Requested)

**INTERIM ORDER (I) AUTHORIZING
THE DEBTORS TO (A) MAINTAIN AND
USE THEIR EXISTING CASH MANAGEMENT
SYSTEM, (B) PAY BANK FEES, (C) UTILIZE EXISTING
BUSINESS FORMS, (D) UTILIZE CREDIT CARDS, AND
(E) ENGAGE IN INTERCOMPANY TRANSACTIONS AND
(II) WAIVING COMPLIANCE WITH SECTION 345(B)**

¹ The Debtors operate under the trade name Incoira and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at <http://www.kccellc.net/incora/>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

Upon the motion (the “*Motion*”),² of the above-captioned debtors (collectively, the “*Debtors*”), for entry of this Interim Order, pursuant to section(s) 105(a), 345(b), 363(b), 363(c), 364, 503(b)(1), 1107 and 1108 of the Bankruptcy Code, Bankruptcy Rule(s) 6003 and 6004, and Local Rule(s) 9013-1(b) (i) authorizing the Debtors to (a) continue using their existing Cash Management System, Bank Accounts, Credit Cards and Business Forms, (b) continue engaging in Intercompany Transactions in the ordinary course of business, (c) pay Bank Fees and related charges, (ii) waiving compliance with 11 U.S.C. § 345(b), (iii) granting administrative expense priority status to postpetition Intercompany Claims, and (iv) granting certain related relief;; and the Court having jurisdiction to decide the Motion and to enter this Interim Order pursuant to 28 U.S.C. § 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, such notice being adequate and appropriate under the circumstances; and after notice and a hearing, as defined in section 102 of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Motion, the First Day Declaration, and in the record establish just cause for entry of this Interim Order; and it appearing that entry of this Interim Order on an emergency basis is in the best interests of the Debtors’ estates and that emergency interim relief is justified to avoid immediate and irreparable harm to the Debtors’ estates; it is hereby **ORDERED** that:

1. The Debtors are authorized, but not directed, to: (a) continue to use their Cash Management System, (b) honor or satisfy all of their prepetition obligations related to maintenance of the Cash Management System, (c) implement changes to the Cash Management System in the ordinary course and consistent with past practices; *provided* that the Debtors shall provide five (5) business days’ notice to counsel to the First Lien Noteholder Group of any material change thereto, and (d) remit to Katsumi in the ordinary course of business any cash received on account of any

² Capitalized terms used but not defined in this Interim Order have the meanings ascribed to them in the Motion.

receivables sold to Katsumi prior to the Petition Date pursuant to the Katsumi Factoring Facility, in each case subject to the terms set forth in this Interim Order.

2. The Banks may rely on the representations of the Debtors with respect to whether any check, item, or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and the Banks shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

3. The Debtors shall furnish to the Banks a list of those checks, drafts, or wires and other withdrawals made, drawn, or issued in payment of prepetition claims, the payment of which has been authorized by any order of this Court.

4. The Debtors are further authorized, but not directed, to: (a) continue to use all Bank Accounts in place on the Petition Date, including those identified on **Exhibit C** to the Motion and (b) close any Bank Accounts and open new bank accounts, as the Debtors deem necessary and appropriate in the ordinary course of business; *provided*, that the Debtors shall provide five (5) business days' notice to counsel to the First Lien Noteholder Group of any material changes to any Bank Accounts. The relief granted in this Interim Order applies to any new bank account opened by the Debtors, which account shall be deemed a Bank Account, and the bank at which such account is opened shall be deemed a Bank for all purposes hereunder; *provided*, that any new bank account may only be opened at a bank that has executed, or is willing to execute immediately, a Uniform Depository Agreement with the U.S. Trustee. The Debtors are authorized to enter into any ancillary agreements, including deposit account control agreements in favor of the DIP Agent (as defined in the DIP Order), the ABL Agent and the Notes Collateral Agent, as they may deem necessary and appropriate.

5. The Debtors shall give notice of opening or closing any Bank Account to counsel to the First Lien Noteholder Group, the U.S. Trustee, and any statutory committee appointed in these chapter 11 cases not later than fifteen (15) days after such action, and such opening shall be timely indicated on the Debtors' monthly operating reports.

6. The Banks are authorized to continue to administer the Bank Accounts as accounts of the Debtors as debtors in possession in the ordinary course and without interruption pursuant to any existing deposit agreements, and to receive, process, honor, and pay any and all checks, drafts, wires, credit card transactions, and ACH transfers issued, payable through or drawn on the Bank Accounts after the Petition Date to the extent consistent with the Court's orders on the Debtors' first day motions, irrespective of whether such checks, drafts, electronic fund transfers, credit card, or ACH payments are dated prior or subsequent to the Petition Date.

7. The Banks may rely upon the representation of the Debtors with respect to whether any check, advice, draft, wire, or other transfer drawn or issued by the Debtors prior to, on, or after the Petition Date should be honored pursuant to any Order of this Court, and the Banks shall not have any liability for relying on such representation by the Debtors. Notwithstanding any other provision of this Interim Order, no Bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors, (b) in a good-faith belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of reasonable item-handling procedures, shall thereby be liable to the Debtors or their estates for violation of this Interim Order.

8. The Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow the Bank Fees in the ordinary course, including those outstanding as of the Petition Date; *provided* that in no event shall the Debtors pay any Bank Fees to (or for the benefit of) an insider or affiliate of an insider. The Debtors are also authorized to reimburse the Banks for any claims arising before or after the Petition Date in connection with customer checks deposited with the Banks that have been dishonored or returned as a result of insufficient funds in the Bank Accounts; *provided* that, unless otherwise ordered by this Court and directed by the Debtors, no checks, drafts, electronic funds transfers or other items presented, issued or drawn on the Bank Accounts on account of a claim against the Debtors arising prior to the Petition Date shall be honored.

9. The Debtors are authorized to use their pre-printed checks and other Business Forms without reference to their status as debtors in possession. Once the Debtors' existing check

stock has been used, the Debtors shall use reasonable efforts, when reordering checks, to include on such checks the designation “Debtor in Possession” and the case number under which these cases are being jointly administered. The Debtors shall include on the checks that the Debtors or their agents print themselves the “Debtor in Possession” legend and the case number under which these cases are being jointly administered within ten business days of the date of this Interim Order.

10. The Debtors are authorized to continue using Credit Cards in the ordinary course of business and, consistent with prepetition practices, to pay to the applicable issuer any prepetition and postpetition obligations under or related to the Credit Cards.

11. The Debtors are authorized to continue engaging in Intercompany Transactions in the ordinary course of business, consistent with past practices, including Intercompany Transactions with their non-Debtor subsidiaries, and to honor prepetition Intercompany Claims; *provided* that such authorization shall not apply to any transaction with an insider or affiliate of an insider, that is not a Debtor or a (direct or indirect) subsidiary of a Debtor.

12. All postpetition Intercompany Claims are hereby accorded administrative expense status pursuant to section 503(b)(1) of the Bankruptcy Code. The Debtors shall continue to record all Intercompany Claims on applicable intercompany accounts and maintain current records with respect to all transfers of cash related to Intercompany Transactions so that all postpetition Intercompany Transactions may be readily ascertained, traced and recorded properly on applicable intercompany accounts; *provided, however*, that such records shall be made available to the U.S. Trustee, counsel to the First Lien Noteholder Group and any official statutory committee upon request.

13. To the extent any of the Debtors’ Bank Accounts are not in compliance with section 345(b) of the Bankruptcy Code or any of the U.S. Trustee’s requirements or guidelines, the Debtors shall have until forty-five days after entry of this Interim Order, without prejudice to seek an additional extension or waiver, to come into compliance with section 345(b) of the Bankruptcy Code; *provided* that nothing herein shall prevent the Debtors or the U. S. Trustee from seeking further relief from the Court to the extent that an agreement cannot be reached. The Debtors may

obtain a further extension of the forty-five day period referenced above by entering into a written stipulation with the U.S. Trustee and filing such stipulation on the Court's docket without the need for further Court order.

14. Notwithstanding the Debtors' use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor.

15. Notwithstanding the relief granted in this Interim Order, all authorizations herein and all payments and actions pursuant thereto shall be subject to each interim and final order entered by the Court in respect of the Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief* filed contemporaneously herewith (collectively, such interim and final orders, the "**DIP Order**"), including compliance with any budget or cash flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order or the DIP Documents (as defined in the DIP Order). To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Interim Order, the terms of the DIP Order shall control.

16. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing contained in the Motion or this Interim Order (nor any actions or payments pursuant to the relief granted herein) shall constitute, nor is it intended to constitute: (a) an implication, admission, concession or finding as to the validity, priority, amount, basis for, or secured status of any particular claim against any Debtor; (b) a waiver of the Debtors' or other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) a waiver of any claim or cause of action that any Debtor or other party in interest may have against any entity; (e) a ratification, adoption, rejection, or assumption of any

agreement, contract or lease under section 365 of the Bankruptcy Code; (f) a waiver or limitation of any Debtor's or other party in interest's rights under any agreement, the Bankruptcy Code or other applicable law; or (g) an implication, admission, concession or finding (i) that any particular claim is of a type specified or defined in this Interim Order or the Motion or (ii) other than as set forth in footnote 7 to the Motion, that any lien, security interest, other encumbrance on property of any Debtor or right of setoff is valid, enforceable or perfected (and the Debtors and all other parties in interest expressly reserve and preserve their rights to contest or to seek avoidance of the same). Any payment made pursuant to this Interim Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

17. Nothing contained in the Motion or this Interim Order shall be construed to alter or impair any security interest or perfection thereof, in favor of any person or entity that existed as of the Petition Date or that arises after the Petition Date.

18. Within five business days from the date of the entry of this Interim Order, the Debtors shall (i) deliver a copy of this Interim Order to each of the Banks and (ii) request that the Banks internally code the Debtor Bank Accounts as "debtor in possession" accounts.

19. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

20. Notwithstanding Bankruptcy Rule 6004(h) or any other provision of the Bankruptcy Rules or Local Rules, the terms of this Interim Order shall be immediately effective and enforceable upon its entry.

21. The Debtors and their agents are authorized to take all steps necessary or appropriate to carry out this Interim Order.

22. The Court shall retain jurisdiction over all matters arising from or related to the implementation, interpretation or enforcement of this Interim Order.

23. Responses to the Motion or objections to entry of an order granting the Motion on a final basis must be filed by _____, 2023, at __: __ .m. (CDT) and be served

upon (a) the Debtors' proposed lead counsel (Milbank LLP, 55 Hudson Yards, New York, NY 10001, Attn: Dennis F. Dunne (DDunne@Milbank.com), Samuel A. Khalil (SKhalil@Milbank.com), and Benjamin M. Schak (BSchak@Milbank.com)), (b) the Debtors' proposed local counsel (Haynes and Boone, LLP, 1221 McKinney Street, Suite 4000, Houston, Texas 77010, Attn: Charles A. Beckham, Jr. (Charles.Beckham@HaynesBoone.com), Kelli Norfleet (Kelli.Norfleet@HaynesBoone.com), Martha Wyrick (Martha.Wyrick@HaynesBoone.com), Re'Necia Sherald (ReNecia.Sherald@HaynesBoone.com)), and (c) proposed counsel to any statutory committee that may be appointed in these cases, so as to be received by the same date and time.

24. A final hearing on the Motion, if required, will be held on _____, **2023, at __: __ .m. (CDT)**. If no responses or objections are timely filed and served, the Court may grant the Motion on a final basis without further notice or hearing.

Dated: _____
Houston, Texas

UNITED STATES BANKRUPTCY JUDGE

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

In re

WESCO AIRCRAFT HOLDINGS, INC.,
et al.,¹

Debtors.

Case No. 23-90611 (DRJ)

Chapter 11

(Joint Administration Requested)

**FINAL ORDER (I) AUTHORIZING
THE DEBTORS TO (A) MAINTAIN AND
USE THEIR EXISTING CASH MANAGEMENT
SYSTEM, (B) PAY BANK FEES, (C) UTILIZE EXISTING
BUSINESS FORMS, (D) UTILIZE CREDIT CARDS, AND
(E) ENGAGE IN INTERCOMPANY TRANSACTIONS AND
(II) WAIVING COMPLIANCE WITH SECTION 345(B)**

¹ The Debtors operate under the trade name Incoira and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at <http://www.kccellc.net/incora/>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

Upon the motion (the “*Motion*”),² of the above-captioned debtors (collectively, the “*Debtors*”), for entry of this Final Order, pursuant to section(s) 105(a), 345(b), 363(b), 363(c), 364, 503(b)(1), 1107 and 1108 of the Bankruptcy Code, Bankruptcy Rule(s) 6003 and 6004, and Local Rule(s) 9013-1(b) (i) authorizing the Debtors to (a) continue using their existing Cash Management System, Bank Accounts, Credit Cards and Business Forms, (b) continue engaging in Intercompany Transactions in the ordinary course of business, (c) pay Bank Fees and related charges, (ii) waiving compliance with 11 U.S.C. § 345(b), (iii) granting administrative expense priority status to postpetition Intercompany Claims, and (iv) granting certain related relief; and the Court having jurisdiction to decide the Motion and to enter this Final Order pursuant to 28 U.S.C. § 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, such notice being adequate and appropriate under the circumstances; and after notice and a hearing, as defined in section 102 of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Motion, the First Day Declaration, and in the record establish just cause for entry of this Final Order; and it appearing that entry of this Final Order is in the best interests of the Debtors’ estates; it is hereby **ORDERED** that:

1. The Debtors are authorized, but not directed, to: (a) continue to use their Cash Management System, (b) honor or satisfy their prepetition obligations related to maintenance of the Cash Management System, (c) implement changes to the Cash Management System in the ordinary course and consistent with past practices; *provided* that the Debtors shall provide five (5) business days’ notice to counsel to the First Lien Noteholder Group of any material change thereto, and (d) remit to Katsumi in the ordinary course of business any cash received on account of any receivables sold to Katsumi prior to the Petition Date pursuant to the Katsumi Factoring Facility, in each case subject to the terms set forth in this Final Order.

² Capitalized terms used but not defined in this Final Order have the meanings ascribed to them in the Motion.

2. The Debtors are further authorized, but not directed, to: (a) continue to use all Bank Accounts in place on the Petition Date, including those identified on **Exhibit C** to the Motion and (b) close any Bank Accounts and open new bank accounts, as the Debtors deem necessary and appropriate in the ordinary course of business; *provided*, that the Debtors shall provide five (5) business days' notice to counsel to the First Lien Noteholder Group of any material changes to any Bank Accounts. The relief granted in this Final Order applies to any new bank account opened by the Debtors, which account shall be deemed a Bank Account, and the bank at which such account is opened shall be deemed a Bank for all purposes hereunder; *provided*, that any new bank account may only be opened at a bank that has executed, or is willing to execute immediately, a Uniform Depository Agreement with the U.S. Trustee. The Debtors are authorized to enter into any ancillary agreements, including deposit account control agreements in favor of the DIP Agent (as defined in the DIP Order), the ABL Agent and the Notes Collateral Agent, as they may deem necessary and appropriate.

3. The Debtors shall give notice of opening or closing any Bank Account to counsel to the First Lien Noteholder Group, the U.S. Trustee, and any statutory committee appointed in these chapter 11 cases not later than fifteen (15) days after such action, and such opening shall be timely indicated on the Debtors' monthly operating reports.

4. The Banks are authorized to continue to administer the Bank Accounts as accounts of the Debtors as debtors in possession in the ordinary course and without interruption pursuant to any existing deposit agreements, and to receive, process, honor, and pay any and all checks, drafts, wires, credit card transactions, and ACH transfers issued, payable through or drawn on the Bank Accounts after the Petition Date to the extent consistent with the Court's orders on the Debtors' first day motions, irrespective of whether such checks, drafts, electronic fund transfers, credit card, or ACH payments are dated prior or subsequent to the Petition Date.

5. The Banks may rely upon the representation of the Debtors with respect to whether any check, advice, draft, wire, or other transfer drawn or issued by the Debtors prior to, on, or after the Petition Date should be honored pursuant to any Order of this Court, and the Banks shall not

have any liability for relying on such representation by the Debtors. Notwithstanding any other provision of this Final Order, no Bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (a) at the direction of the Debtors, (b) in a good-faith belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of reasonable item-handling procedures, shall thereby be liable to the Debtors or their estates for violation of this Final Order.

6. The Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow the Bank Fees in the ordinary course, including those outstanding as of the Petition Date; *provided* that in no event shall the Debtors pay any Bank Fees to (or for the benefit of) an insider or affiliate of an insider. The Debtors are also authorized to reimburse the Banks for any claims arising before or after the Petition Date in connection with customer checks deposited with the Banks that have been dishonored or returned as a result of insufficient funds in the Bank Accounts; *provided* that, unless otherwise ordered by this Court and directed by the Debtors, no checks, drafts, electronic funds transfers or other items presented, issued or drawn on the Bank Accounts on account of a claim against the Debtors arising prior to the Petition Date shall be honored.

7. The Debtors are authorized to use their pre-printed checks and other Business Forms without reference to their status as debtors in possession. Once the Debtors' existing check stock has been used, the Debtors shall use reasonable efforts, when reordering checks, to include on such checks the designation "Debtor in Possession" and the case number under which these cases are being jointly administered. The Debtors shall include on the checks that the Debtors or their agents print themselves the "Debtor in Possession" legend and the case number under which these cases are being jointly administered within ten business days of the date of this Final Order.

8. The Debtors are authorized to continue using Credit Cards in the ordinary course of business and, consistent with prepetition practices, to pay to the applicable issuer any prepetition and postpetition obligations under or related to the Credit Cards.

9. The Debtors are authorized to continue engaging in Intercompany Transactions in the ordinary course of business, consistent with past practices, including Intercompany

Transactions with their non-Debtor subsidiaries, and to honor prepetition Intercompany Claims; *provided* that such authorization shall not apply to any transaction with an insider or affiliate of an insider, that is not a Debtor or a (direct or indirect) subsidiary of a Debtor.

10. All postpetition Intercompany Claims are hereby accorded administrative expense status pursuant to section 503(b)(1) of the Bankruptcy Code. The Debtors shall continue to record all Intercompany Claims on applicable intercompany accounts and maintain current records with respect to all transfers of cash related to Intercompany Transactions so that all postpetition Intercompany Transactions may be readily ascertained, traced and recorded properly on applicable intercompany accounts; *provided, however*, that such records shall be made available to the U.S. Trustee, counsel to the First Lien Noteholder Group and any official statutory committee upon request.

11. Section 345(b) of the Bankruptcy Code requiring that the Debtor Bank Accounts be U.S. Trustee authorized depositories is waived with respect to the Debtor Bank Accounts existing as of the Petition Date.

12. Notwithstanding the Debtors' use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor.

13. Notwithstanding the relief granted in this Final Order, all authorizations herein and all payments and actions pursuant thereto shall be subject to each interim and final order entered by the Court in respect of the Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief filed contemporaneously herewith (collectively, such interim and final orders, the "DIP Order")*, including compliance with any budget or cash flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP

Order or the DIP Documents (as defined in the DIP Order). To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Final Order, the terms of the DIP Order shall control.

14. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing contained in the Motion or this Final Order (nor any actions or payments pursuant to the relief granted herein) shall constitute, nor is it intended to constitute: (a) an implication, admission, concession or finding as to the validity, priority, amount, basis for, or secured status of any particular claim against any Debtor; (b) a waiver of the Debtors' or other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) a waiver of any claim or cause of action that any Debtor or other party in interest may have against any entity; (e) a ratification, adoption, rejection, or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code; (f) a waiver or limitation of any Debtor's or other party in interest's rights under any agreement, the Bankruptcy Code or other applicable law; or (g) an implication, admission, concession or finding (i) that any particular claim is of a type specified or defined in this Final Order or the Motion or (ii) other than as set forth in footnote 7 to the Motion, that any lien, security interest, other encumbrance on property of any Debtor or right of setoff is valid, enforceable or perfected (and the Debtors and all other parties in interest expressly reserve and preserve their rights to contest or to seek avoidance of the same). Any payment made pursuant to this Final Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

15. Nothing contained in the Motion or this Final Order shall be construed to alter or impair any security interest or perfection thereof, in favor of any person or entity that existed as of the Petition Date or that arises after the Petition Date.

16. Under the circumstances of these chapter 11 cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

17. Notwithstanding Bankruptcy Rule 6004(h) or any other provision of the Bankruptcy Rules or Local Rules, the terms of this Final Order shall be immediately effective and enforceable upon its entry.

18. The Debtors and their agents are authorized to take all steps necessary or appropriate to carry out this Final Order.

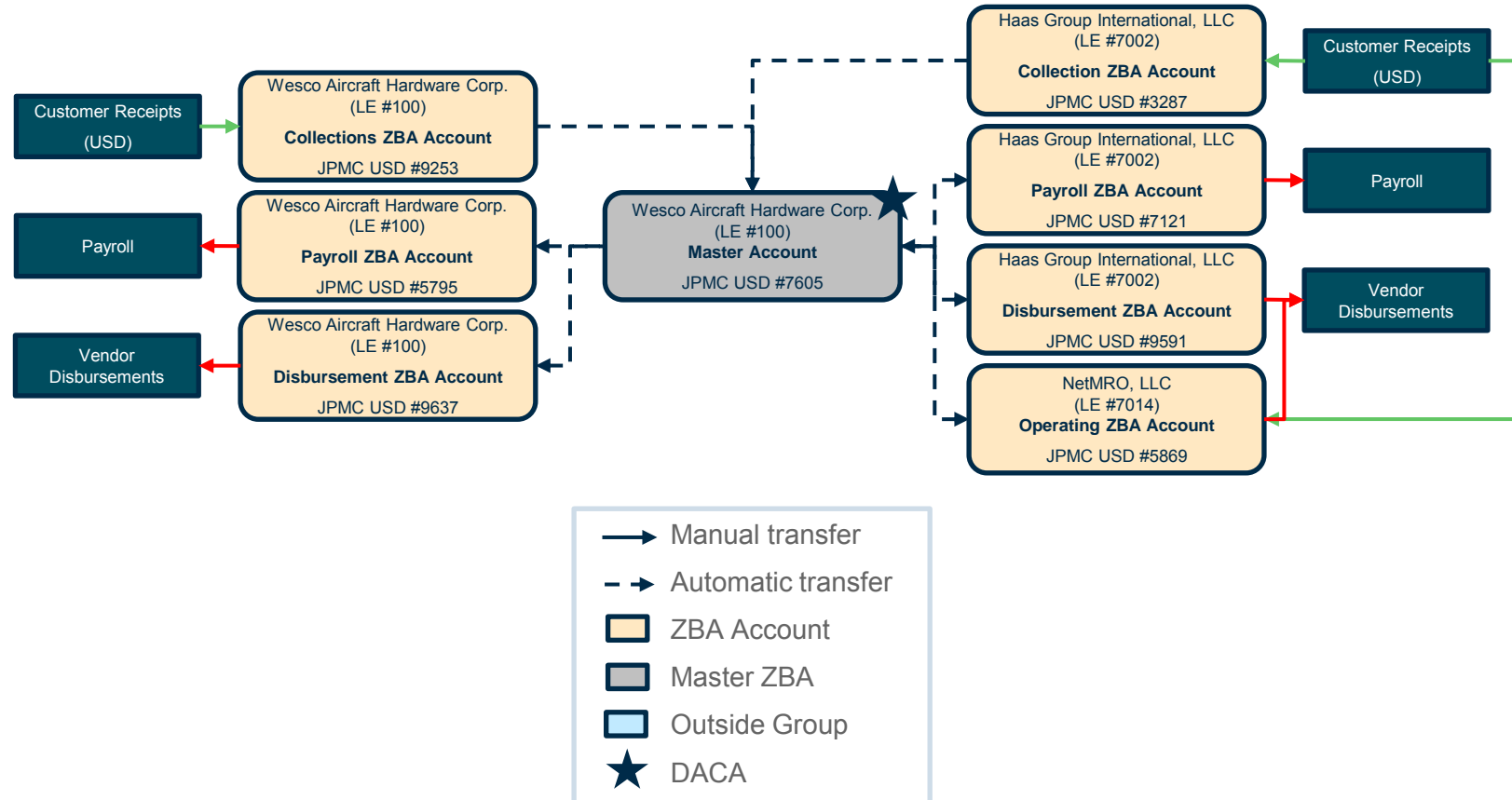
19. The Court shall retain jurisdiction over all matters arising from or related to the implementation, interpretation or enforcement of this Final Order.

Dated: _____
Houston, Texas

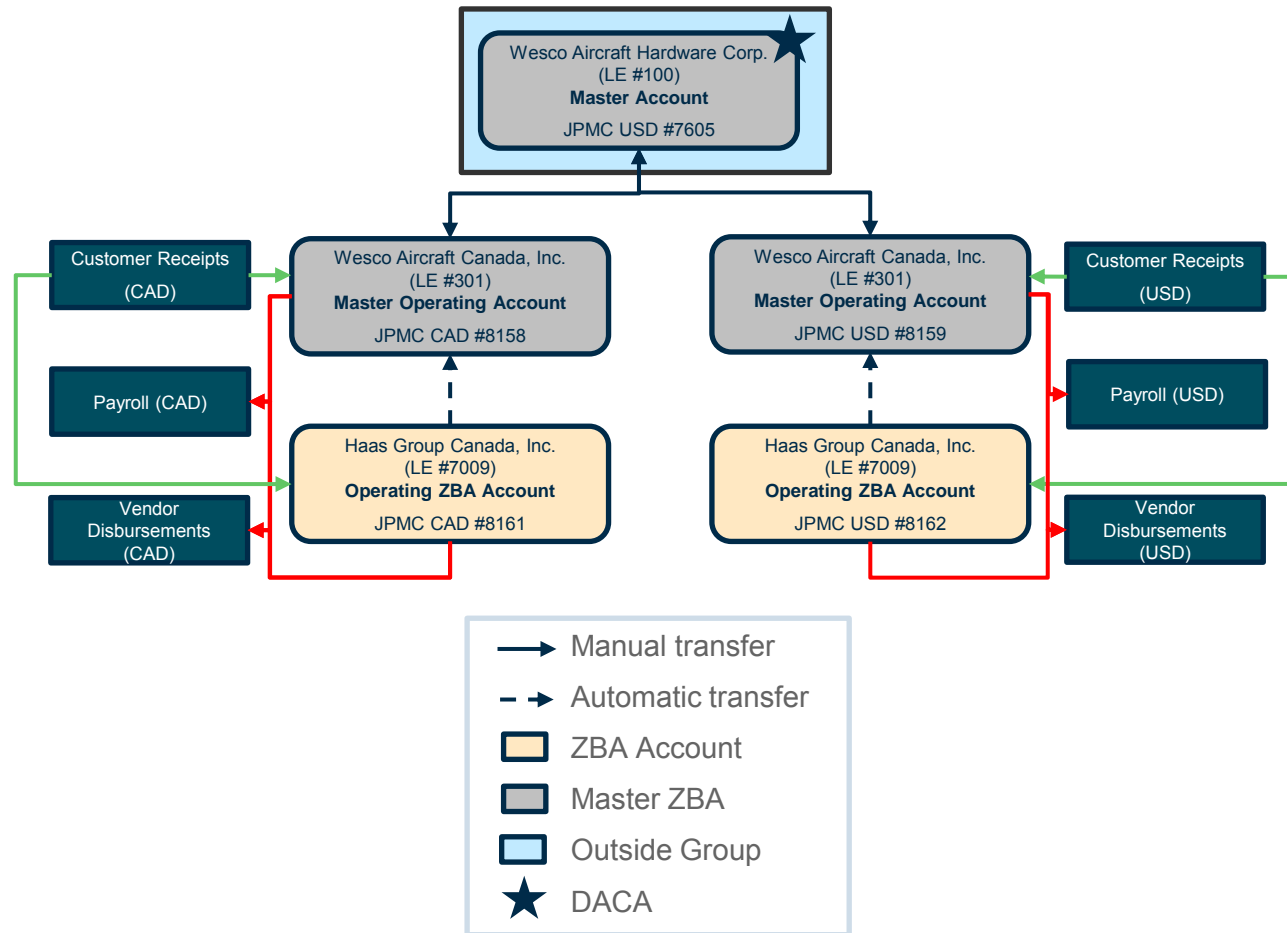
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B TO CASH MANAGEMENT MOTION
DIAGRAM OF CASH MANAGEMENT SYSTEM

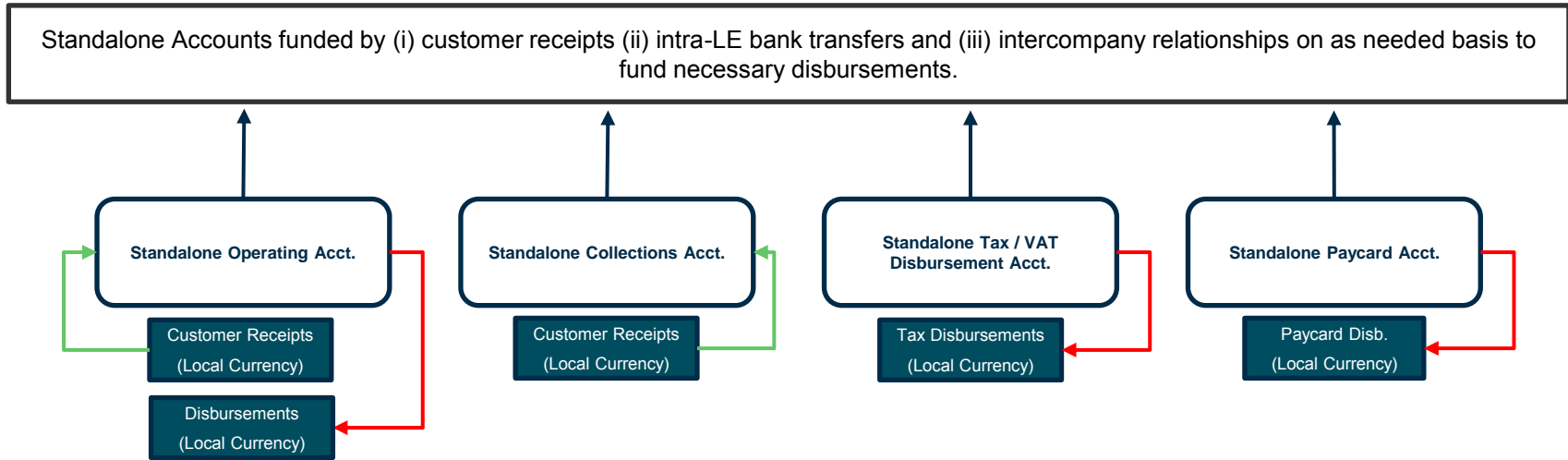
U.S. ZBA Structure Schematic



Canada ZBA Structure Schematic



Standalone Account General Overview Schematic



US Standalone Accounts

Standalone Collections	PNC USD#0459
Standalone Collections	WFB USD#7177
Standalone Operating Account	JPMC USD#3881
Standalone Operating Account	MUFG USD#8163
Standalone Operating Account	WFB USD#7169
Standalone Operating Account	PNC USD#9557
Standalone Operating Account	JPMC USD#6132
Standalone Operating Account	COM USD#8083
Standalone Operating Account	COM USD#8091
Standalone Operating Account	COM USD#5520
Standalone Operating Account	JPMC USD#0916
Standalone Operating Account	JPMC USD#0831

Canada Standalone Accounts

Standalone Operating Account	JPMC CAD#8563
Standalone Operating Account	JPMC CAD#1660
Standalone Tax	JPMC CAD#1108

UK Standalone Accounts

Standalone Collections	JPMC EUR#3356
Standalone Operating Account	JPMC GBP#4656
Standalone Operating Account	JPMC EUR#2857
Standalone Operating Account	JPMC GBP#2851
Standalone Operating Account	JPMC GBP#2853
Standalone Operating Account	JPMC USD#2858
Standalone Operating Account	JPMC GBP#2866
Standalone Operating Account	JPMC EUR#2869
Standalone Operating Account	JPMC GBP#2870
Standalone Operating Account	JPMC USD#2867
Standalone Operating Account	JPMC EUR#2865
Standalone Operating Account	JPMC GBP#2864
Standalone Operating Account	JPMC USD#2862
Standalone Operating Account	JPMC GBP#2844
Standalone Operating Account	JPMC USD#2846
Standalone Operating Account	JPMC CNY#6105
Standalone Operating Account	JPMC USD#6106

ROW Standalone Accounts

Standalone Collections	JPMC EUR#0908
Standalone Operating Account	SANT ARS#1522
Standalone Operating Account	SANT USD#4729
Standalone Operating Account	LEUM USD#8070
Standalone Operating Account	HAPO CHF#4367
Standalone Operating Account	HAPO EUR#4367
Standalone Operating Account	HAPO GBP#4367
Standalone Operating Account	HAPO USD#4367
Standalone Operating Account	BBVA USD#8850
Standalone Operating Account	JPMC MXN#5364
Standalone Operating Account	JPMC USD#5365
Standalone Operating Account	JPMC PLN#0663
Standalone Operating Account	SANT PLN#8031
Standalone Operating Account	SANT USD#8061
Standalone Paycard	BBVA MXN#2066
VAT Disbursement	HAPO ILS#4367
VAT Disbursement	JPMC PLN#0664
VAT Disbursement	SANT PLN#8030

EXHIBIT C TO CASH MANAGEMENT MOTION**LIST OF BANK ACCOUNTS**

Entity	Bank	Country	Currency	Acct. #	Acct. Designation	Acct. Balance as of May 30, 2023
Wesco Aircraft Hardware Corp.	JPMC Bank	Canada	CAD	x8563	Standalone Operating	\$19,073
Wesco Aircraft Canada, Inc.	JPMC Bank	Canada	CAD	x8158	Canada Master	\$659,786
Wesco Aircraft Canada, Inc.	JPMC Bank	Canada	USD	x8159	Canada Master	\$462,570
Pattonair (Derby) Limited	JPMC Bank	Canada	CAD	x1108	Standalone Tax	\$128
Pattonair USA, Inc.	JPMC Bank	Canada	CAD	x1660	Standalone Operating	\$344,707
Haas Group Canada, Inc.	JPMC Bank	Canada	CAD	x8161	ZBA Operating	\$372,078
Haas Group Canada, Inc.	JPMC Bank	Canada	USD	x8162	ZBA Operating	\$98
Adams Aviation Limited	JPMC Bank	Germany	EUR	x0908	Standalone Collections	\$105,758
Wesco Aircraft Hardware Corp.	JPMC Bank	UK	EUR	x3356	Standalone Collections	\$19,394
Wesco Aircraft Hardware Corp.	JPMC Bank	UK	GBP	x4656	Standalone Operating	\$23,972
Wesco Aircraft EMEA Limited	JPMC Bank	UK	EUR	x2857	Standalone Operating	\$525,740

Entity	Bank	Country	Currency	Acct. #	Acct. Designation	Acct. Balance as of May 30, 2023
Wesco Aircraft EMEA Limited	JPMC Bank	UK	GBP	x2851	Standalone Operating	\$1,269,688
Wesco Aircraft EMEA Limited	JPMC Bank	UK	GBP	x2853	Standalone Operating	\$275,984
Wesco Aircraft EMEA Limited	JPMC Bank	UK	USD	x2858	Standalone Operating	\$3,245,034
Pattonair Group Limited	JPMC Bank	UK	GBP	x2866	Standalone Operating	\$33,425
Pattonair Limited	JPMC Bank	UK	EUR	x2869	Standalone Operating	\$306,373
Pattonair Limited	JPMC Bank	UK	GBP	x2870	Standalone Operating	\$232,806
Pattonair Limited	JPMC Bank	UK	USD	x2867	Standalone Operating	\$585,266
Pattonair (Derby) Limited	JPMC Bank	UK	EUR	x2865	Standalone Operating	\$80,258
Pattonair (Derby) Limited	JPMC Bank	UK	GBP	x2864	Standalone Operating	\$2,649,879
Pattonair (Derby) Limited	JPMC Bank	UK	USD	x2862	Standalone Operating	\$1,105,468
Adams Aviation Limited	JPMC Bank	UK	GBP	x2844	Standalone Operating	\$404,735
Adams Aviation Limited	JPMC Bank	UK	USD	x2846	Standalone Operating	\$1,272,972
Haas Corp. of China	JPMC Bank	UK	CNY	x6105	Standalone Operating	\$2,016

Entity	Bank	Country	Currency	Acct. #	Acct. Designation	Acct. Balance as of May 30, 2023
Haas Corp. of China	JPMC Bank	UK	USD	x6106	Standalone Operating	\$2,375
Haas TCM de Mexico S. de R.L. de C.V.	JPMC Bank	Mexico	MXN	x5364	Standalone Operating	\$121,116
Haas TCM de Mexico S. de R.L. de C.V.	JPMC Bank	Mexico	USD	x5365	Standalone Operating	\$295,385
Wesco Aircraft EMEA Limited	JPMC Bank	Poland	PLN	x0663	Standalone Operating	\$92,471
Wesco Aircraft EMEA Limited	JPMC Bank	Poland	PLN	x0664	VAT Disbursement	\$2,169,964
Pattonair Group Limited	JPMC Bank	U.S.	USD	x3881	Standalone Operating	\$1,901
Wesco Aircraft Hardware Corp.	JPMC Bank	U.S.	USD	x5795	ZBA Payroll	\$8,140
Wesco Aircraft Hardware Corp.	JPMC Bank	U.S.	USD	x8031	Standalone Utility	\$0
Wesco Aircraft Hardware Corp.	JPMC Bank	U.S.	USD	x7605	U.S. Master	\$7,149,292
Wesco Aircraft Hardware Corp.	JPMC Bank	U.S.	USD	x9253	ZBA Collections	\$106,572
Wesco Aircraft Hardware Corp.	JPMC Bank	U.S.	USD	x9637	ZBA Disbursement	\$1,418,009

Entity	Bank	Country	Currency	Acct. #	Acct. Designation	Acct. Balance as of May 30, 2023
Haas Group International, LLC	JPMC Bank	U.S.	USD	x3287	ZBA Collections	\$11,931
Haas Group International, LLC	JPMC Bank	U.S.	USD	x7121	ZBA Payroll	\$0
Haas Group International, LLC	JPMC Bank	U.S.	USD	x9591	ZBA Disbursement	\$3,153,240
NetMRO, LLC	JPMC Bank	U.S.	USD	X5869	ZBA Operating	\$332,852
Haas TCM of Israel, Inc.	JPMC Bank	U.S.	USD	x6132	Standalone Operating	\$0
Adams Aviation Limited	JPMC Bank	U.S.	USD	x0916	Standalone Operating	\$0
Haas TCM of Israel, Inc.	Bank Hapoalim	Israel	CHF	x4367	Standalone Operating	\$0
Haas TCM of Israel, Inc.	Bank Hapoalim	Israel	EUR	x4367	Standalone Operating	\$0
Haas TCM of Israel, Inc.	Bank Hapoalim	Israel	GBP	x4367	Standalone Operating	\$0
Haas TCM of Israel, Inc.	Bank Hapoalim	Israel	ILS	x4367	VAT Disbursement	\$345,416
Haas TCM of Israel, Inc.	Bank Hapoalim	Israel	USD	x4367	Standalone Operating	\$2,212,012
Pattonair Limited	Santander Bank	Poland	PLN	x8030	VAT Disbursement	\$0
Pattonair Limited	Santander Bank	Poland	PLN	x8031	Standalone Operating	\$0
Pattonair Limited	Santander Bank	Poland	USD	x8061	Standalone Operating	\$0
Haas International Corp.	Santander Bank	Argentina	ARS	x1522	Standalone Operating	\$256,002

Entity	Bank	Country	Currency	Acct. #	Acct. Designation	Acct. Balance as of May 30, 2023
Haas International Corp.	Santander Bank	Argentina	USD	x4729	Standalone Operating	\$524
Wolverine Intermediate Holding Corp.	Comerica Bank	U.S.	USD	x8083	Standalone Operating	\$0
Wolverine Intermediate Holding II Corp.	Comerica Bank	U.S.	USD	x8091	Standalone Operating	\$0
Pioneer Holding Corp.	Comerica Bank	U.S.	USD	x5520	Standalone Operating	\$0
Pattonair USA, Inc.	Wells Fargo Bank, N.A.	U.S.	USD	x7169	Standalone Operating	\$330,730
Pattonair USA, Inc.	Wells Fargo Bank, N.A.	U.S.	USD	x7177	Standalone Collections	\$419,740
Haas TCM de Mexico S. de R.L. de C.V.	BBVA Bancomer, S.A.	Mexico	MXN	x2066	Standalone Paycard	\$1,074,359
Haas TCM de Mexico S. de R.L. de C.V.	BBVA Bancomer, S.A.	Mexico	USD	x8850	Standalone Operating	\$485,387
Wesco Aircraft Hardware Corp.	Bank Leumi	Israel	USD	x8070	Standalone Operating	\$130,951
Wesco Aircraft Hardware Corp.	MUFG Bank, Ltd.	U.S.	USD	x8163	Standalone Operating	\$17,625
Haas Group International, LLC	PNC Bank	U.S.	USD	x9557	Standalone Operating	\$44
Wesco Aircraft Hardware Corp.	PNC Bank	U.S.	USD	x0459	Standalone Collections	\$315,520