

**ENTERED**

June 01, 2023

Nathan Ochsner, Clerk

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

*In re*

**WESCO AIRCRAFT HOLDINGS, INC.,  
et al.,<sup>1</sup>**

Debtors.

Case No. 23-90611 (DRJ)

Chapter 11

(Jointly Administered)

**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)**

<sup>1</sup> 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.kccllc.net/incora/>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.



2390611230603000000000042

Upon the motion (the “*Motion*”),<sup>2</sup> 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

<sup>2</sup> 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 June 23, 2023, at 4:00 p.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 June 29, 2023, at 10:00 .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.

**Signed: June 01, 2023.**

  
\_\_\_\_\_  
DAVID R. JONES  
UNITED STATES BANKRUPTCY JUDGE



United States Bankruptcy Court  
Southern District of TexasIn re:  
Wesco Aircraft Holdings, Inc.  
DebtorCase No. 23-90611-drj  
Chapter 11**CERTIFICATE OF NOTICE**

District/off: 0541-4

User: ADIuser

Page 1 of 2

Date Rcvd: Jun 01, 2023

Form ID: pdf002

Total Noticed: 7

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

**Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jun 03, 2023:**

Recip ID	Recipient Name and Address
db	+ Wesco Aircraft Holdings, Inc., 2601 Meacham Blvd., Suite 400, Fort Worth, TX 76137-4213
aty	+ Adam M Lavine, Kobre & Kim LLP, 800 Third Avenue, New York, NY 10022-7775
aty	+ Darryl G Stein, Kobre & Kim LLP, 800 Third Avenue, New York, NY 10022-7775
aty	+ Igor M Margulyan, 800 Third Avenue, New York, NY 10022-7649
aty	+ John G Conte, 800 Third Avenue, New York, NY 10022-7649
aty	+ Michael S Brasky., Kobre & Kim LLP, 800 Third Avenue, New York, NY 10022-7775
aty	+ Zachary D Rosenbaum, Kobre & Kim LLP, 800 Third Avenue, New York, NY 10022-7775

TOTAL: 7

**Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.**

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

**BYPASSED RECIPIENTS****The following addresses were not sent this bankruptcy notice due to an undeliverable address, \*duplicate of an address listed above, \*P duplicate of a preferred address, or ## out of date forwarding orders with USPS.**

Recip ID	Bypass Reason	Name and Address
intp		Ad Hoc 2024/2026 Noteholder Group
intp		BANK OF AMERICA, N.A.
sutr		BOKF, NA
cr		Carlyle Global Credit Investment Management, LLC
intp		First Lien Noteholder Group
cr		Langur Maize, L.L.C.

TOTAL: 6 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

**NOTICE CERTIFICATION****I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.****Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Jun 03, 2023

Signature: /s/Gustava Winters**CM/ECF NOTICE OF ELECTRONIC FILING****The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on June 1, 2023 at the address(es) listed below:**

Name	Email Address
------	---------------

District/off: 0541-4  
Date Rcvd: Jun 01, 2023

User: ADIuser  
Form ID: pdf002

Page 2 of 2  
Total Noticed: 7

Andrew Jimenez  
on behalf of U.S. Trustee US Trustee andrew.jimenez@usdoj.gov aubrey.thomas@usdoj.gov;Omar.E.Jones@usdoj.gov

Andrew I Silfen  
on behalf of Successor Trustee BOKF NA andrew.silfen@afslaw.com, lisa.indelicato@afslaw.com

Charles A Beckham, Jr  
on behalf of Debtor Wesco Aircraft Holdings Inc. charles.beckham@haynesboone.com, kenneth.rusinko@haynesboone.com

Christopher Darnell Porter  
on behalf of Plaintiff Wesco Aircraft Holdings Inc. chrисporter@quinnemanuel.com

Christopher Darnell Porter  
on behalf of Debtor Wesco Aircraft Holdings Inc. chrисporter@quinnemanuel.com

Jason S Brookner  
on behalf of Creditor Carlyle Global Credit Investment Management LLC jbrookner@grayreed.com, lwebb@grayreed.com

Jayson B. Ruff  
on behalf of U.S. Trustee US Trustee jayson.b.ruff@usdoj.gov

John F Higgins, IV  
on behalf of Interested Party First Lien Noteholder Group jhiggins@porterhedges.com  
emoreland@porterhedges.com;eliana-garfias-8561@ecf.pacerpro.com;mwebb@porterhedges.com

John P Melko  
on behalf of Interested Party Ad Hoc 2024/2026 Noteholder Group jmelko@foley.com  
rdiep@foley.com;john-melko-2781@ecf.pacerpro.com;docketflow@foley.com

Kelli S. Norfleet  
on behalf of Debtor Wesco Aircraft Holdings Inc. kelli.norfleet@haynesboone.com, kenneth.rusinko@haynesboone.com

Mark F Hebbeln  
on behalf of Interested Party Ad Hoc 2024/2026 Noteholder Group mhebbeln@kobrekim.com  
james.r.lewis@wellsfargo.com;mark-hebbeln-5273@ecf.pacerpro.com

Robert Bernard Bruner  
on behalf of Interested Party BANK OF AMERICA N.A. bob.bruner@nortonrosefulbright.com

US Trustee  
USTPRegion07.HU.ECF@USDOJ.GOV

TOTAL: 13