

ENTERED

June 27, 2024

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.,¹**

Debtors.

Case No. 23-90611 (MI)

Chapter 11

(Jointly Administered)

**ORDER AUTHORIZING AND IMPLEMENTING
SETTLEMENT OF ADVERSARY PROCEEDING**

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.kccllc.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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Upon the motion (the “*Motion*”),² of the above-captioned debtors (collectively, the “*Debtors*”), for entry of an order (this “*Order*”) authorizing and implementing the Settlement; and the Court having jurisdiction to decide the Motion and to enter this 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 of the relief in the Motion and the terms of settlement under the Motion filed on June 4, 2024 in the Adversary Proceeding that was then served on all parties in interest on the Master Service List for the main bankruptcy case, and which was refiled in the main bankruptcy case seeking emergency approval and otherwise served again on parties in interest to the Master Service List in the main bankruptcy case, 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 and in the record establish just cause for entry of this Order; and it appearing that entry of this Order is in the best interests of the Debtors’ estates; it is hereby **ORDERED** that:

1. Omitted.

2. The Debtors and Arrow are authorized to execute a vendor payment agreement (the “*VPA*”) in substantially the form attached to the *Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Payment of Prepetition Claims of Critical Vendors and Foreign Claimants, (II) Authorizing the Payment of Outstanding Orders, and (III) Granting Related Relief* [Main Case Docket No. 3]. The VPA shall provide that Arrow will extend credit on 30-day payment terms, up to a global limit of \$250,000.

3. Upon execution of the VPA, the Debtors shall pay \$740,000.00 (the “*Settlement Payment*”) to Arrow in full satisfaction of the claims asserted by Arrow in the Adversary Proceeding and the proofs of claim filed by Arrow in the Chapter 11 Cases.

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

4. Upon payment pursuant to paragraph 3 of this Order, each of Arrow's outstanding proofs of claim in the Chapter 11 Cases shall be deemed withdrawn and Arrow's scheduled unsecured claim shall be deemed satisfied.

5. The Adversary Proceeding is dismissed, without prejudice to reinstatement if the execution of the VPA or the transfer of the Settlement Payment does not occur. The Clerk of Court is directed to close the Adversary Proceeding.

6. Upon payment pursuant to paragraph 3 of this Order and upon other consideration set forth in the Settlement, the Debtors on behalf of itself and any other party, person, or entity claiming under or through the Debtors, hereby generally releases, discharges, acquits, and covenants not to sue (i) Arrow and its respective current and former agents, servants, officers, directors, share-holders, employees, subsidiaries, divisions, affiliates, parents, attorneys, successors, predecessors, heirs, personal representatives, and assigns from all manners of action, causes of action, judgments, executions, debts, demands, rights, damages, costs, expenses, liens, and claims of every kind, nature, and character whatsoever, other than with respect to subsequent commercial agreements between Arrow and the Debtors, the VPA, and the rights and obligations of the Releasing Parties under the Settlement or Order, whether in law or in equity, whether based on contract (including, without limitation, quasi-contract or estoppel), statute, regulatory, tort (including, without limitation, intentional torts, fraud, misrepresentation, defamation, breaches of alleged fiduciary duty, recklessness, gross negligence, or negligence) or otherwise, accrued or unaccrued, known or unknown, matured, unmatured, liq-uidated or unliquidated, certain or contingent, that such Releasing Party ever had or claimed to have or now has or claims to have, against any Released Party arising under or related to the Settlement, the Adversary Proceeding, each of Arrow's outstanding proofs of claim in the Chapter 11 Cases, or Arrow's scheduled unsecured claim, and (ii) each other Releasing Party from any and all other claims or causes of action arising prior to the entry of this Order, other than with respect to subsequent commercial agreements between Arrow and the Debtors, the VPA, and the rights and obligations of the Releasing Parties under the Settlement or Order.

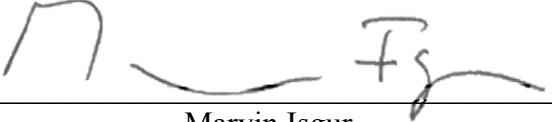
Upon payment pursuant to paragraph 3 of this Order and upon other consideration set forth in the Settlement, Arrow on behalf of itself and any other party, person, or entity claiming under or through Arrow, hereby generally releases, discharges, acquits, and covenants not to sue (i) the Debtors and their respective current and former agents, servants, officers, directors, share-holders, employees, subsidiaries, divisions, affiliates, parents, attorneys, successors, predecessors, heirs, personal representatives, and assigns from all manners of action, causes of action, judgments, executions, debts, demands, rights, damages, costs, expenses, liens, and claims of every kind, nature, and character whatsoever, other than with respect to subsequent commercial agreements between Arrow and the Debtors, the VPA, and the rights and obligations of the Releasing Parties under the Settlement or Order, whether in law or in equity, whether based on contract (including, without limitation, quasi-contract or estoppel), statute, regulatory, tort (including, without limitation, intentional torts, fraud, misrepresentation, defamation, breaches of alleged fiduciary duty, recklessness, gross negligence, or negligence) or otherwise, accrued or unaccrued, known or unknown, matured, unmatured, liq-uidated or unliquidated, certain or contingent, that such Releasing Party ever had or claimed to have or now has or claims to have, against any Released Party arising under or related to the Settlement, the Adversary Proceeding, each of Arrow's outstanding proofs of claim in the Chapter 11 Cases, or Arrow's scheduled unsecured claim, and (ii) each other Releasing Party from any and all other claims or causes of action arising prior to the entry of this Order, other than with respect to subsequent commercial agreements between Arrow and the Debtors, the VPA, and the rights and obligations of the Releasing Parties under the Settlement or Order.

7. Notwithstanding Bankruptcy Rule 6004(h) or any other provision of the Bankruptcy Rules or the Bankruptcy Local Rules of the U.S. Bankruptcy Court for the Southern District of Texas, the terms of this Order shall be immediately effective and enforceable upon its entry.

8. The Debtors and their agents are authorized to take all steps necessary or appropriate to carry out this Order, including by recording the withdrawal and satisfaction of Arrow's claims on the Debtors' claims register.

9. The Court retains exclusive jurisdiction over any and all matters arising from or related to the implementation, interpretation, and enforcement of this Order or the Settlement.

Signed: June 27, 2024



Marvin Isgur
United States Bankruptcy Judge