Docket #2147 Date Filed: 09/23/2024

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)

DEBTORS' FOURTH MOTION TO EXTEND THE DEBTORS' EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT VOTES

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at http://ecf.txsb.uscourts.gov/ within 21 days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within 21 days from the date this motion is filed. Otherwise, the Court may treat this pleading as unopposed and grant the relief requested.

[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.veritaglobal.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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The above-captioned debtors and debtors in possession (the "***Debtors***" and, together with their non-Debtor subsidiaries, "***Incora***")[2] respectfully state as follows.

RELIEF REQUESTED

1. By this motion (the "***Motion***"), Incora seeks entry of an order extending the periods during which it possesses the exclusive right to (a) file a chapter 11 plan (the "***Exclusive Filing Period***") through and including December 1, 2024, and (b) solicit acceptances thereof (the "***Exclusive Solicitation Period***" and, together with the Exclusive Filing Period, the "***Exclusive Periods***") through and including February 1, 2025. A proposed form of order is attached to this Motion.

2. The principal statutory bases for this Motion are sections 1121(d) and 1125 of the Bankruptcy Code and Section K of the Procedures for Complex Cases in the Southern District of Texas (the "***Complex Case Procedures***").

JURISDICTION AND VENUE

3. The 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 the Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

PRELIMINARY STATEMENT

4. Incora has used the chapter 11 process to restore vendors' faith in Incora's financial position, to improve the quality of service for Incora's customers, to slash overhead expenses, and to shake off the burden of off-market fixed-rate customer contracts. Due to the management team's

[2] A detailed description of the Debtors and their businesses is set forth in the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions* (the "***First Day Declaration***") [Dkt. No. 13], filed with the Debtors' voluntary petitions for relief on June 1, 2023 (the "***Petition Date***"). The Debtors are operating their businesses during the above-captioned chapter 11 cases (the "***Chapter 11 Cases***") as debtors in possession pursuant to sections 1107 and 1108 of title 11 of the U.S. Code (the "***Bankruptcy Code***"). An official committee of unsecured creditors (the "***Committee***") was appointed on June 16, 2023; no trustee, examiner or other official committee has been appointed. Citations to "Dkt. No. ___" refer to the docket in the above-captioned main case, while citations to "Adv. Dkt. No. ___" refer to the docket in the adversary proceeding captioned *Wesco Aircraft Holdings, Inc., et al. v. SSD Invs. Ltd. et al.*, Adv. No. 23-03091 (MI) (Bankr. S.D. Tex) (the "***2022 Financing Adversary Proceeding***").

efforts, Incora can confidently tell the market that its business is positioned to develop innovative solutions for existing customers, to pursue and support new customers, and to deliver value to its post-reorganization shareholders.

5. To ensure that these operational achievements are not lost, Incora must swiftly gain confirmation of a plan of reorganization. The Debtors have taken considerable strides toward this goal since the filing of their last motion to extend the Exclusive Periods. Testimony has concluded in the 2022 Financing Adversary Proceeding, and the Court has issued key oral rulings regarding Incora's pre-petition capital structure. The Debtors have proposed a chapter 11 plan that gives effect to these rulings and have endeavored to gain the support of parties in interest. In this context, the Chapter 11 Cases would suffer if Incora is unable to focus the parties in interest on the ongoing plan process.

6. Indeed, the filing of competing plan proposals would introduce chaos into the process and would risk reversing the hard-fought gains that Incora's business has made during these Chapter 11 Cases. There can be no doubt that sophisticated industry participants are watching the Debtors' restructuring process closely. So far, Incora's management team has been able to show them that the chapter 11 process, though complicated, has remained orderly and efficient. If the Chapter 11 Cases devolve into a fight over competing plans, vendors may insist on tighter payment terms and customers may be reluctant to award new business to Incora.

7. For these reasons, Incora believes that a further extension of the Exclusive Periods is appropriate.

BACKGROUND

I. PROGRESS IN THE CHAPTER 11 CASES

8. Throughout these Chapter 11 Cases, Incora has focused on four principal goals: (i) stabilizing business operations; (ii) improving the business by eliminating or renegotiating burdensome customer contracts; (iii) resolving litigation concerning the March 2022 bond transactions; and (iv) eliminating a significant amount of debt from Incora's balance sheet through a chapter 11 plan of reorganization.

9. ***Operational Restructuring.*** As described in the Debtors' prior motions to extend the Exclusive Periods, Incora has successfully completed the first two goals. In the early stages of these cases, the Debtors used the $300 million in new-money debtor-in-possession financing to become current on obligations to critical and foreign vendors. By entering into over 500 critical and foreign vendor payment agreements since the Petition Date, Incora secured for its customers a reliable supply of goods. Additionally, as vendors allowed Incora to return to normal payment terms, days payable outstanding (DPO) improved from 31 days at its low point to 43 days as of July 31, 2024, generating more than $50 million of liquidity.

10. Over the following months, Incora hired or promoted senior employees into critical roles at the head of its two business divisions—hardware and chemicals. With new frontline leadership in place, Incora successfully renegotiated over 130 customer contracts, thus eliminating legacy fixed-rate pricing that had not kept pace with global inflation and increasing long-term annual revenue by over $125 million. This aspect of the restructuring has been a resounding success. To date, Incora has retained virtually every customer. In the one instance where a significant customer's contract was rejected, Incora sold a significant amount of inventory to that customer in exchange for an up-front payment that has supported Incora's liquidity position throughout 2024.

11. Incora's senior management team also used the Chapter 11 Cases as an opportunity to reassess other aspects of its operations. Since filing the Chapter 11 Cases, Incora has conducted initiatives to reduce overhead costs, streamlined back-office processes, and improve working capital dynamics. These efforts, combined with the contract re-negotiation initiative, are projected to increase EBITDA 44% year-over-year. Incora's SG&A expense is also projected to be reduced by over $21 million year-over-year.

12. ***Litigation.*** When Incora filed its most recent motion to extend the Exclusive Periods, several days of trial remained in the 2022 Financing Adversary Proceeding. Much has changed since the Court granted that motion. The Court held closing arguments during the week of June 24, delivered oral rulings on July 10, and supplemented those rulings on August 13. Although certain aspects of the 2022 Financing Adversary Proceeding (most notably, the

2024/2026 Noteholder Group's tortious interference claims and King Street's claims against the 1.25 Lien Noteholders) and the 2024/2026 Noteholder Group's standing motion remain unresolved, those aspects of the 2022 Financing Adversary Proceeding need not affect Incora's prepetition capital structure or the development of the Debtors' chapter 11 plan.

13. ***Plan of Reorganization.*** On September 5, 2024, the Debtors filed their *Modified Second Amended Joint Chapter 11 Plan* [Dkt. No. 2082] (as modified, amended or supplemented, the "***Plan***") and the corresponding disclosure statement (the "***Disclosure Statement***"). The Plan has three objectives: *First*, the Plan preserves the economic terms of the settlements that the Debtors had already struck, with great effort, with creditors on the junior side of the capital structure—the Committee, King Street, and the leading 1.25 Lien Noteholders. Thus, the holders of 1.25 Lien Notes Claims receive no distributions under the Plan; the holders of General Unsecured Claims (mainly consisting of the 2024 Unsecured Notes Claims and the 2027 Unsecured Notes Claims) receive New Common Equity in the amount equivalent to what they would have received under the version of the Plan that was filed in January 2024;[3] and the holders of General Unsecured Convenience Claims (consisting of trade creditors whose allowed claims fall below a specified threshold) receive, in the aggregate, up to $7,500,000 in cash.

14. *Second*, the Plan's treatment of the 1L Notes Claims and the 2026 Notes Claims conforms to the Court's July and August rulings in the 2022 Financing Adversary Proceeding. Based on those rulings, the Debtors understand that the holders of the 1L Notes now have two distinct claims—a secured claim that shares a lien with the 2026 Notes on a *pari passu* basis, and an unsecured claim that relates to the $250,000,000 in new-money investments for which Incora attempted to issue additional "New Money Notes" in March 2022. In line with that understanding, the Plan provides the holders of the 1L Notes Claims with two forms of recovery. The first form of

[3] The January version of the Plan provided 3.5% of New Common Equity to the class of General Unsecured Claims. Since then, as a result of the Court's rulings in the 2022 Financing Adversary Proceeding, the 2026 Notes Claims have been removed from the pool of General Unsecured Claims. Accordingly, the amount of New Common Equity assigned to holders of General Unsecured Claims in the September version of the Plan has been scaled down proportionately.

recovery is 96.9401% of New Common Equity and New Takeback Notes ($420,000,000 in principal) that the holders of 1L Notes Claims (excluding the 1L Notes Claims on account of the New Money Unsecured Notes) will share *pro rata* with the holders of 2026 Notes Claims. The second form of recovery for 1L Notes is 1.4632% of New Common Equity that provides their holders with New Common Equity on account of their 1L Notes Claims on account of the "New Money Unsecured Notes" claims, in a similar proportion as is provided to the holders of General Unsecured Claims. Thus, the holders of 1L Notes Claims are to receive a recovery on account of the secured portion of the 1L Notes *pari passu* with the holders of 2026 Notes, and a recovery on account of the unsecured portion of their the 1L Notes *pari passu* with the holders of General Unsecured Claims.

15. *Third*, the Plan preserves all parties' rights to appeal from the 2022 Financing Adversary Proceeding through the Appellate Adjustment Mechanism, which is summarized at Dkt. No. 2031.[4] In order to preserve an appellate court's ability to re-weight the different parties' allocations of New Common Equity, the Plan provides for the issuance of four series of New Common Equity: one series (Class A) for the New Common Equity to be distributed to the holders of the 1L Notes, another series (Class B) for the New Common Equity to be distributed to the holders of the 2026 Notes, a third series (Class C) for the New Common Equity to be distributed to the holders of the 2024 Notes, and yet another series (Common) for the "ordinary" New Common Equity to be distributed to claimants that are not party to the litigation over Incora's prepetition capital structure. At the conclusion of all appeals and further proceedings in the 2022 Financing Adversary Proceeding, each of the first three series of New Common Equity will convert into the Common series in proportions that reflect the results of those appeals.

[4] A summary of the Appellate Adjustment Mechanism was shared two days prior to its filing with counsel to the 2024/2026 Noteholder Group and the First Lien Noteholder Group, in form similar to the filed version. The First Lien Noteholder Group provided comments, mostly of a technical nature, which the Debtors incorporated. The 2024/2026 Noteholder Group did not provide detailed comments but requested that the Appellate Adjustment Mechanism take into account the possibility that the holders of 2024 Notes would appeal the portions of the Court's capital structure rulings on which the 2024 Noteholders did not prevail, which the Debtors likewise incorporated. *Cf. infra* at ¶ 16.

16. At its core, the Appellate Adjustment Mechanism does not take a position on the likelihood of success of any possible appellate outcome and is designed to leave open all such possibilities, regardless of which party is ultimately successful. The table below shows illustrative outcomes in various possible scenarios.[5] For instance, if the Court's decision is affirmed in its entirety on appeal, then the New Common Equity in Classes A through C will convert on a 1:1 basis into Common. If, however, the 2024 Notes are declared on appeal to be secured, then the Appellate Adjustment Mechanism would increase the amount of New Common Equity allocated to the 2024 Noteholders, solely at the expense of the other secured classes. Likewise, if both the 2024 Notes and 2026 Notes are declared to be unsecured on appeal, then the Appellate Adjustment Mechanism would decrease the amount of New Common Equity allocated to their holders, solely for the benefit of the remaining secured class. Across all possible appellate scenarios, the Appellate Adjustment Mechanism would ensure that (a) the New Common Equity distributed to the claimants that are not involved in the litigation over the capital structure will not be affected, (b) each of Classes A, B and C may increase, decrease, or maintain their distribution level, and (c) all holders of the New Common Equity ultimately ending up with a single tranche of equity securities (the tranche referred to in the Appellate Adjustment Mechanism as the "Common").

[5] The proposed Appellate Adjustment Mechanism produces a similarly flexible result for the New Takeback Notes. The amounts set forth in the tables are intended to be illustrative, with respect to the New Common Equity. Further, the scenarios are intended to be illustrative only and do not comprehensively address all possible outcomes. Actual distributions will depend on the definitive terms of the Plan (including the Appellate Adjustment Mechanism) and any further rulings (including appellate rulings) in the 2022 Financing Adversary Proceeding.

	1L Noteholders	*2026 Noteholders*	*2024 Noteholders*	*Others (GUC)*
Immediately following emergence	75.2% of New Common Equity (Class A)	23.2% of New Common Equity (Class B)	1.0% of New Common Equity (Class C)	0.6% of New Common Equity (Common)
Outcome 1: No changes on appeal	75.2% of New Common Equity (Common)	23.2% of New Common Equity (Common)	1.0% of New Common Equity (Common)	0.6% of New Common Equity (Common)
Outcome 2: 2024 Notes become secured	67.6% of New Common Equity (Common)	20.8% of New Common Equity (Common)	10.9% of New Common Equity (Common)	0.6% of New Common Equity (Common)
Outcome 3: New Money Notes are secured and 2026 Notes become unsecured	96.5% of New Common Equity (Common)	1.9% of New Common Equity (Common)	1.0% of New Common Equity (Common)	0.6% of New Common Equity (Common)

17. Following the Court's approval of the Disclosure Statement, *see* Dkt. No. 2086, the Debtors commenced solicitation of votes on the Plan.

18. Since then, the Debtors have attempted to arrange in-person negotiations between the First Lien Noteholder Group and the Ad Hoc Group of 2024/2026 Noteholders. On the Debtors' motion, the Court extended certain deadlines around the confirmation process to allow the Debtors to continue those attempts to bring the two groups together. *See* Dkt. No. 2138. Nevertheless, although both sides have exchanged settlement proposals, the two groups have not recently met. The First Lien Noteholder Group has expressed its willingness to meet in person and has filed a motion to require the Ad Hoc Group of 2024/2026 Noteholders to participate in court-sponsored mediation. *See* Dkt. No. 2142. The Debtors now expect that the confirmation timeline will need to be extended further and believe that extending the Exclusive Periods will give the Debtors (and a mediator, if one is appointed) a chance to generate consensus around the Plan based on the Court's July and August rulings.[6] These efforts to negotiate a deal are the only plausible means for Incora

[6] Accordingly, the Debtors also intend to file a motion, substantially concurrently with this motion, to extend certain confirmation-related deadlines.

to eliminate approximately $2 billion of debt from its balance sheet. For this reason, the Exclusive Periods should be extended one final time. *See* H.R. Rep. No. 95-595, at 231–232 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963 (noting that Congress intended to give bankruptcy courts great flexibility to allow a debtor to negotiate settlement of debts without interference from other parties in interest).

II. Prior Extensions

19. These Chapter 11 Cases were filed on June 1, 2023. At that time, the Debtors' automatic 120-day Exclusive Filing Period was to end on September 29, 2023. *See* 11 U.S.C. § 1121(b). Since then, the Court has granted three extensions of the Exclusive Periods. *See* Dkt. Nos. 911, 1455, and 1847. As a result, the Exclusive Filing Period is now set to expire on September 23, 2024, and the Exclusive Solicitation Period on November 22, 2024.[7]

Basis for Relief

I. Statutory Basis

20. Under section 1121(b) of the Bankruptcy Code, the Debtors had the exclusive right to file a chapter 11 plan within the first 120 days from the Petition Date, which in this case fell on September 29, 2023. *See* 11 U.S.C. § 1121(b). As stated above, absent further order of the Court, the Debtors' most recently extended Exclusive Filing Period and Exclusive Solicitation Period will expire on September 23, 2024, and November 22, 2024, respectively.

21. A bankruptcy court may extend the Exclusive Periods "for cause" "on request of a party in interest made within the respective periods." § 1121(d)(1). Specifically, section 1121(d)(1) provides that, "on request of a party in interest made within the respective periods . . . and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section." *Id.* However, the Exclusive Filing Period may not be extended beyond 18 months, nor the Exclusive Solicitation Period beyond 20 months. *See* § 1121(d)(2).

[7] Pursuant to paragraph 30 of the Complex Case Procedures, the filing of this Motion automatically extends the Exclusive Filing Period until the Court rules on the Motion.

22. The Bankruptcy Code neither defines the term "cause" for purposes of section 1121(d) of the Bankruptcy Code nor establishes formal criteria for an extension. The legislative history of section 1121 of the Bankruptcy Code indicates, however, that it is intended to be a flexible standard to balance the competing interests of a debtor and its creditors. *See* H.R. Rep. No. 95-595, at 231–232 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963 (noting that Congress intended to give bankruptcy courts great flexibility to allow a debtor to negotiate settlement of debts without interference from other parties in interest).

23. Indeed, the Court of Appeals for the Fifth Circuit has explained that bankruptcy courts have the discretion to extend exclusivity to promote the orderly, consensual, and successful reorganization of a debtor's affairs. *United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs., Ltd.* (*In re Timbers of Inwood Forest Assocs., Ltd.*), 808 F.2d 363, 372 (5th Cir. 1987) (en banc) ("[A]ny bankruptcy court involved in an assessment of whether 'cause' exists should be mindful of the legislative goal behind § 1121."); *see also In re Mirant Corp.*, No. 4-04-CV-476-A, 2004 WL 2250986, at *2 (N.D. Tex. Sept. 30, 2004) ("In virtually every case where an extension has been granted, the debtor showed substantial progress had been made in negotiations toward reorganization.").

24. The broad discretion conferred on a bankruptcy court in these circumstances enables it to consider a variety of factors to assess whether "cause" exists to extend a debtor's exclusive periods. *See In re Wash.-St. Tammany Elec. Co-op., Inc.*, 97 B.R. 852, 854 (E.D. La. 1989) (noting that the decision to extend exclusivity "rests with the discretion of the Court"); *In re Adelphia Commc'ns Corp*., 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006) (identifying factors courts consider in determining whether to extend exclusivity); *In re New Millennium Mgmt., LLC*, No. 13-35719-H3-11, 2014 WL 792115, at *6 (Bankr. S.D. Tex. Feb. 25, 2014) (identifying the *Adelphia* factors as factors to consider in determining whether cause exists to extend exclusivity); *In re Hoffinger Indus., Inc.*, 292 B.R. 639, 643-44 (B.A.P. 8th Cir. 2003) (same); *In re Express One Int'l, Inc.*, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996) (same).

25. These non-exclusive factors include:

a. the size and complexity of the debtor's case;

b. the necessity for sufficient time to permit the debtor to negotiate a chapter 11 plan and prepare adequate information;

c. the existence of good faith progress towards reorganization;

d. the fact that the debtor is paying its bills as they become due;

e. whether the debtor has demonstrated reasonable prospects for filing a viable plan;

f. whether the debtor has made progress in negotiations with its creditors;

g. whether the debtor is seeking an extension of exclusivity in order to pressure creditors to submit to the debtor's reorganization demands; and

h. whether an unresolved contingency exists.

See, e.g., *Millennium Mgmt.*, 2014 WL 792115, at *6; *see also Adelphia*, 352 B.R. at 587 (noting that the factors listed above are "objective factors which courts historically have considered in making determinations of this character").

26. Not all of these factors are relevant in every case, and courts tend to use the relevant subset of the factors in determining whether cause exists to grant an exclusivity extension in a particular chapter 11 case. *See, e.g.*, *In re Express One*, 194 B.R. at 100-101 (listing all nine factors later set forth in *Adelphia* but identifying only four of the factors as relevant in determining whether "cause" exists to extend exclusivity); *In re Hoffinger Indus.*, 292 B.R. at 644 ("It is within the discretion of the bankruptcy court to decide which factors are relevant and give the appropriate weight to each."); *In re Serv. Merch. Co.*, 256 B.R. 744, 751–754 (Bankr. M.D. Tenn. 2000) (finding cause to extend where the debtors established six of the factors); *see also In re Dow Corning Corp.*, 208 B.R. 661, 670 (Bankr. E.D. Mich. 1997) ("When the Court is determining whether to terminate a debtor's exclusivity, the primary consideration should be whether . . . doing so would facilitate moving the case forward. And that is a practical call that can override a mere toting up of the factors.").

27. Although "the debtor's burden gets heavier with each extension it seeks as well as the longer the period of exclusivity lasts," the Debtors' extensive record of progress in these challenging Chapter 11 Cases satisfies the "cause" requirement to obtain a final extension of the Exclusive Periods.

II. "CAUSE" EXISTS TO EXTEND THE EXCLUSIVE PERIODS.

28. As set forth at length above, the requested extensions of the Exclusive Periods are appropriate, in the best interest of the Debtors' stakeholders, and consistent with the purpose of chapter 11 of the Bankruptcy Code as it is necessary to preserve the gains that Incora has made in its operations and to move toward implementation of the revised Plan for which re-solicitation is nearly complete.

29. The 2022 Financing Adversary Proceeding, which looms large over the plan process, lasted as long as it did due to the indisputable complexity of the substantive legal and factual issues, the procedural complications of numerous overlapping complaints and competing standing motions. Now that the Court has provided its rulings regarding Incora's capital structure, the Debtors are working hard to build consensus between the First Lien Noteholder Group and the 2024/2026 Noteholder Group. Now more than ever, an extension of exclusivity is warranted to ensure that all parties will focus their efforts on achieving a confirmable, consensual plan.

30. The magnitude and complexity of Incora's businesses and the uncertainty with respect to its capital structure have required the Debtors to navigate complex issues in their reorganization efforts and further substantiate the need for an extension of the Exclusive Periods. This factor weighs heavily in favor of extending exclusivity, since the Debtors are on track to emerge from bankruptcy soon after the confirmation hearing. *See In re Timbers of Inwood*, 808 F.2d at 372 ("[A]n occasional . . . debtor, for example, one with a complex debt structure or multifarious business problems, may require more time."); *In re Texaco Inc.*, 76 B.R. 322, 326 (Bankr. S.D.N.Y. 1987) ("The large size of the debtor and the consequent difficulty in formulating a plan of reorganization for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity periods."). The legislative history of

section 1121 of the Bankruptcy Code provides that "if an unusually large company were to seek reorganization under chapter 11, the court would probably need to extend the time in order to allow the debtor to reach an agreement." H.R. Rep. No. 95-595, at 232 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5963.

31. The Chapter 11 Cases were further complicated by the need to renegotiate major customer contracts, revise the long-term business plan, and address the disputed capital structure, all at the same time. As described above, Incora has made significant progress towards confirming a chapter 11 plan. Incora's management team has stabilized the business and has successfully negotiated modifications to nearly every one of Incora's burdensome customer contracts. The parties have received key rulings in the 2022 Financing Adversary Proceeding. Having completed nearly all of these tasks, the Debtors are requesting an extension of the Exclusive Periods so they can finalize the reorganization process that they have been vigorously pursuing since before the Chapter 11 Cases were filed. Accordingly, the Debtors submit that a final extension of the Exclusive Filing Period through December 1, 2024, and a matching extension of the Exclusive Solicitation Period through February 1, 2025, are warranted.

32. This Court and others have granted similar relief in other large and complex restructuring cases, allowing debtors to maintain exclusivity through the maximum statutory period. *See In re Diamond Sports Grp., LLC*, Case No. 23-90116 (CML) (Bankr. S.D. Tex. Dec. 20, 2023) [Dkt. No. 1969]; *In re HONX, Inc.*, Case No. 22-90035 (MI) (Bankr. S.D. Tex. Aug. 21, 2023) [Dkt. No. 945]; *see also In re Whittaker, Clark & Daniels, Inc.*, Case No. 23-13575 (MBK) (Bankr. D.N.J. June 28, 2024) [Dkt. No. 1193]; *In re FTX Trading Ltd.*, Case No. 22-11068 (JTD) (Bankr. D. Del. Mar. 18, 2024) [Dkt. No. 9584]; *In re Purdue Pharma L.P.*, Case No. 19-23649 (RDD) (Bankr. S.D.N.Y. Dec. 16, 2020 and Mar. 1, 2021) [Dkt. Nos. 2143, 2433]; *In re Energy Future Holdings Corp.*, Case No. 14-10979 (CSS) (Bankr. D. Del. June 1, 2015) [Dkt. No. 4634]; *In re Triad Guar. Inc.*, Case No. 13-11452 (MFW) (Bankr. D. Del. Oct. 15, 2014) (same) [Dkt. No. 338]; *In re Exide Techs.*, Case No. 13-11482 (KJC) (Bankr. D. Del. Aug. 29, 2014) [Dkt. No. 2203]; *In re Edison Mission Energy*, Case No. 12-49219 (JPC) (Bankr. N.D. Ill. Oct. 25, 2013) [Dkt. No. 1423];

In re Great Atl. & Pac. Tea Co., Case No. 10-24549 (RDD) (Bankr. S.D.N.Y. Jan. 27, 2012) [Dkt. No. 3289]; *In re Specialty Prods. Holding Corp.*, Case No. 10-11780 (JFK) (Bankr. D. Del. Nov. 15, 2011) [Dkt. No. 1802]; *In re Lehman Bros. Holdings Inc.*, Case No. 08-13555 (JMP) (Bankr. S.D.N.Y. July 20, 2009) [Dkt. No. 4449]; *In re Frontier Airlines Holdings, Inc.*, Case No. 08-11298 (RDD) (Bankr. S.D.N.Y. May 20, 2009) [Dkt. No. 853]; *In re Dana Corp.*, Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Dec. 19, 2006) [Dkt. No. 4398]; *In re Calpine Corp.*, Case No. 05-60200 (BRL) (Bankr. S.D.N.Y. Dec. 6, 2006) [Dkt. No. 3223]; *In re Mirant Corp.*, Case No. 03-46590 (DML) (Bankr. N.D. Tex. May 10, 2004) [Dkt. No. 3860].

33. It is therefore appropriate for the Court to extend the Exclusive Periods to give the Debtors a full and fair opportunity to continue their good-faith efforts to finalize a successful chapter 11 process without the distraction of competing plan proposals. Expiration of exclusivity would derail the progress made so far. On the other hand, continuation of exclusivity will allow all parties to channel their efforts toward getting over the finish line.

34. The Debtors are not seeking an extension to artificially delay the Chapter 11 Cases or to hold creditors hostage to an unreasonable plan proposal. Indeed, the Debtors have used the time in bankruptcy efficiently to obtain financing, advance operational initiatives throughout a vast enterprise, and develop consensus with many creditor constituencies. The size and complexities of the Chapter 11 Cases are apparent, and the Debtors are continuing to work on achieving consensus on a confirmable plan, so the requested extension will not harm any economic stakeholder. Moreover, if future events merit termination or shortening of the extended Exclusive Periods, a party in interest may move for such relief. *See* 11 U.S.C. § 1121(d). In the present situation, exclusivity will allow the Debtors—and all other parties in interest—a full and fair opportunity to pursue an orderly and value-maximizing conclusion to this restructuring.

35. The extension of exclusivity will permit the Debtors to continue to operate as responsible stewards of their enterprise. The Debtors are paying their bills as they come due and will continue to do so. Suppliers and customers can continue to do business with Incora throughout

the extended Exclusive Periods, confident in Incora's ability to perform services, deliver goods, and pay bills.

36. For all the reasons set forth above, the facts and circumstances of these Chapter 11 Cases amply demonstrate that cause exists to grant the requested relief.

NOTICE

37. Notice of this Motion will be provided to all parties in interest listed on the master service list maintained by Incora pursuant to paragraph 11 of the Complex Case Procedures. Incora respectfully submits that no further notice is required under the circumstances.

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Upon the foregoing Motion, Incora respectfully requests that the Court (a) enter an order granting this Motion, substantially in the form attached, and (b) grant such other relief as is just and proper.

Dated: September 23, 2024

Respectfully submitted,

/s/ Charles A. Beckham, Jr.

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Counsel to the Debtors and Debtors in Possession

CERTIFICATE OF SERVICE

I certify that, on September 23, 2024, 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' noticing agent.

/s/ Charles A. Beckham, Jr.

Charles A. Beckham, Jr.

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)

FOURTH ORDER EXTENDING THE DEBTORS' EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT VOTES

[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.

Upon the motion (the "***Motion***")[2] of the above-captioned Debtors for entry of an order (this "***Order***") extending the periods during which they have the exclusive right to file a chapter 11 plan and solicit acceptances thereof; 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, 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 Incora's estates; it is hereby **ORDERED** that:

1. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Filing Period is extended through and including December 1, 2024.

2. Pursuant to section 1121(d) of the Bankruptcy Code, the Debtors' Exclusive Solicitation Period is extended through and including February 1, 2025.

3. Notwithstanding any provision of the Bankruptcy Rules or Local Rules, the terms of this Order shall be immediately effective and enforceable upon its entry.

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

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

5. The Court retains jurisdiction over all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated:

Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE