Docket #0004 Date Filed: 5/17/2026

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
WEST MARINE, INC., *et al.*,[1]	)	Case No. 26-10794 (___)
Debtors.	)	(Joint Administration Requested)

DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN AND ADMINISTER THEIR CUSTOMER PROGRAMS AND (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO; (II) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS; AND (III) GRANTING RELATED RELIEF

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state as follows in support of this motion (this "Motion"):[2]

Relief Requested

1. The Debtors seek entry of an order, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (respectively, the "Interim Order" and "Final Order"): (a) authorizing, but not directing, the Debtors to (i) maintain and administer their Customer Programs (as defined herein) and (ii) honor certain prepetition obligations related thereto; (b) authorizing banks and other financial institutions (the "Banks") to honor and process checks and electronic transfer

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: West Marine, Inc. (5502); Marine One Holdco, LLC (2231); Marine One Parent, Inc. (0402); Rising Tide Holdings Inc. (2628); Rising Tide Parent Inc. (6153); Seascapes, Inc. (3739); W Marine Management Company, Inc. (4151); and West Marine Products, Inc. (4523). For purposes of these chapter 11 cases, the Debtors' service address is West Marine Headquarters, 1 East Broward Blvd., Suite 200, Fort Lauderdale, FL 33301.

[2] A detailed description of the Debtors and their business, including the facts and circumstances giving rise to the Debtors' chapter 11 cases, is set forth in the *Declaration of Paulee Day, Chief Executive Officer of West Marine, Inc., in Support of the Debtors' Chapter 11 Petitions and First Day Pleadings* (the "First Day Declaration"), filed contemporaneously herewith and incorporated by reference herein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

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requests related to the foregoing; and (c) granting related relief. In addition, the Debtors request that the Court (as defined below) schedule a final hearing within approximately twenty-one days after the Petition Date (as defined below) to consider entry of the Final Order.

Jurisdiction and Venue

2. The United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the United States Bankruptcy Court for the District of Delaware (the "Court") under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Debtors confirm their consent, pursuant to rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Local Rules 2002-1 and 9013-1.

Background

5. West Marine is the leading integrated, omni-channel provider of aftermarket products to the boating, fishing, sailing, and watersports markets in the United States. For more than fifty years, West Marine has been recognized as a principal resource for cruisers, sailors, anglers, fishers, and other boating enthusiasts. Founded in 1968 in Sunnyvale, California, West Marine employs approximately 2,600 crew members and operates a retail footprint of more than

200 stores across thirty-four states and Puerto Rico, as well as a digital footprint through its eCommerce websites that reach domestic, international, and professional customers.

6. On the date hereof, (the "Petition Date"), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors have concurrently filed a motion requesting procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no official committees have been appointed or designated.

The Debtors' Customer Programs

7. The Debtors historically have provided certain incentives, coupons, discounts, and accommodations to their customers to attract and maintain positive customer relationships (such programs, as described below, collectively, the "Customer Programs").[3] The Debtors believe that their ability to continue the Customer Programs and to honor any obligations thereunder in the ordinary course of business is necessary to protect the West Marine brand, meet competitive market pressures, and ensure customer satisfaction. Continuing the Customer Programs allows the Debtors to maintain the goodwill of their current customers, attract new customers, and, ultimately, enhance their businesses' revenue and profitability to the benefit of all of the Debtors' stakeholders.

[3] Although the description of the Customer Programs set forth in this Motion is intended to be comprehensive, the Debtors may have inadvertently omitted some of the Customer Programs. The Debtors request relief with regard to all Customer Programs, regardless of whether any individual Customer Program is specifically identified herein.

8. As of the Petition Date, the Debtors estimate that there are approximately $2,325,000.00 of prepetition obligations outstanding related to Customer Programs.[4] These obligations include accrued credits, adjustments, refunds, discounts, prepayments, and other similar obligations owing to customers. Importantly, the vast majority of the Debtors' prepetition obligations under the Customer Programs *do not* entail the expenditure of cash. By this Motion, the Debtors seek authorization, but not direction, to maintain the Customer Programs in the ordinary course of business and to continue to honor all customer-related obligations, including making cash payments on account of such prepetition obligations in an amount not to exceed $2,325,000.00 between entry of the Interim Order and the Final Order (the "Interim Period").

I. Refund and Exchange Program.

9. Consistent with industry practice and to accommodate the needs of their customers, the Debtors allow customers to return or exchange merchandise subject to the Debtors' return and exchange policy (the "Refund and Exchange Program"). The Refund and Exchange Program assures the Debtors' customers that they will be "made whole" if merchandise is inadequate, damaged or defective, incorrectly processed, or unavailable. Pursuant to the Refund and Exchange Program, most unused products purchased online or in-store are eligible for a full refund when returned within thirty days of purchase. For returns after thirty days, refunds are issued in the form of a store gift card. The Refund and Exchange Program is typical of the refund policies of the Debtors' competitors and throughout the retail industry.

10. Maintaining the Refund and Exchange Program is critical to preserving the goodwill of the Debtors' customers. Without the protection of the Refund and Exchange Program,

[4] Excluding amounts sought to be honored under the Gift Card Program, the Sales Promotions, Coupons, and Free Shipping Programs, and the Membership Programs (each as defined below).

current and potential customers may become reluctant or unwilling to make purchases, which could lead to a decline in revenue, the ultimate cost of which would be borne by the Debtors' estates. The Debtors estimate that there are approximately $2,000,000.00 in customer refunds outstanding under the Refund and Exchange Program, all of which will come due within the Interim Period. The Debtors seek authorization, but not direction, to continue the Refund and Exchange Program, including issuing and paying refunds made prepetition or resulting from prepetition purchases, with cash payments on account of such prepetition refunds not to exceed $2,000,000.00 in the Interim Period.

II. Sales Promotions, Coupons, and Free Shipping.

11. Like most retailers, the Debtors occasionally conduct in-store and online sales promotions (the "Sales Promotions"). The Sales Promotions include clearance discounts, seasonal discounts, and incentive spending promotions among various other promotional initiatives. The Debtors also issue coupons for discounts on future purchases (the "Coupons"), which can be presented by customers at the time of purchase of goods at the Debtors' retail stores or on the Debtors' eCommerce platforms. The Debtors offer free shipping for online purchases over $99.00 and free van-delivery for professional customers (collectively, the "Sales Promotions, Coupons, and Free Shipping Programs").

12. The Debtors believe that the Sales Promotions, Coupons, and Free Shipping Programs promote overall sales, improve customer relationships, and drive customer retention, all of which inure to the benefit of the Debtors' estates. Moreover, because the Sales Promotions, Coupons, and Free Shipping Programs enable customers to receive discounts and may not be redeemed for other value, they do not represent a cash liability for the Debtors.

13. Through this Motion, the Debtors seek authorization, but not direction, to continue the Sales Promotions, Coupons, and Free Shipping Programs and to honor any prepetition obligations related thereto on a postpetition basis in a manner consistent with their past practices.

III. Gift Card Program.

14. The Debtors maintain a program pursuant to which customers can purchase physical or digital, pre-paid, non-expiring gift cards in various denominations (the "Gift Card Program"). The gift cards can be redeemed for the Debtors' merchandise at a later date and can be purchased at the Debtors' retail locations, eCommerce platforms, and through certain third parties.

15. In the ordinary course of business, the Debtors utilize Clutch Holdings LLC (the "Gift Card Administrator") to process and administer the Gift Card Program. As of the Petition Date, the Debtors believe no amounts to the Gift Card Administrator on account of administrative fees associated with the Gift Card Program (the "Gift Card Program Fees") remain outstanding.

16. The Debtors estimate that as of the Petition Date, approximately $30,200,000.00 in issued gift cards remain outstanding. Historically, customers redeem approximately $500,000.00 in gift cards monthly. The Debtors seek authorization, but not direction, to continue honoring their obligations under the Gift Card Program, including the payment of Gift Card Program Fees, on a postpetition basis, including honoring any prepetition obligations related thereto.[5]

IV. Membership Programs.

17. The Debtors offer a rewards program that provides participating customers benefits including, among others, rewards on qualified purchases, discounts, and access to member-only

[5] For the avoidance of doubt, the Debtors intend to honor all obligations related to the Gift Card Program.

sales and events (collectively, the "Rewards Program"). The Rewards Program consists of two tiers: West Advantage Silver (which is free) and West Advantage Gold (which has an annual membership fee of $25.00). The introductory tier, West Advantage Silver, offers customers rewards on eligible purchases and access to member-only sales and events. West Advantage Gold provides members with greater rewards on purchases and offers additional benefits, such as on-demand towing services. The rewards earned through eligible purchases can be redeemed for certain West Advantage certificates, which can be used on future purchases within the following year through any of the Debtors' sales channel. Members are also eligible to enroll in the Debtors' volume discount programs, which offer discounts on certain large equipment purchases. The Debtors estimate there are approximately 900,000 active West Advantage members in the United States.

18. In addition, the Debtors maintain a partnership with BoatU.S., the nation's leading recreational boating association. BoatU.S. members receive benefits such as discounts at over 1,200 boating businesses nationwide, special offers on insurance and tow services, and a subscription to BoatU.S. Magazine. Through the BoatU.S. partnership, West Advantage Gold members and BoatU.S. members are entitled to mutually reciprocal membership benefits: West Advantage Gold members are entitled to free membership in BoatU.S.'s basic membership tier and BoatU.S. members are automatically enrolled in West Advantage Gold. The Debtors believe their partnership program with BoatU.S. promotes West Marine's brand, deepens customer relationships, and provides impactful cross-promotion opportunities.

19. The Debtors offer a separate membership and rewards program, West Marine Pro, for its professional customers (together with the Rewards Program, the "Membership Programs"). West Marine Pro member services include warehousing, supply chain consulting, van delivery,

preferred pricing, and around-the-clock support tailored for a professional clientele. West Marine Pro is offered in three tiers based on each professional customer's annual spend. As of the Petition Date, the Debtors estimate there are approximately 40,000 West Marine Pro members.

20. The Debtors believe the Membership Programs, including their partnership with BoatU.S., improve and foster customer relationships, which in turn increases revenue. As of the Petition Date, the Debtors estimate that there are approximately $2,400,000.00 outstanding in unused rewards, all of which were earned in the last year. Continuing the Membership Programs, including honoring any unused rewards balances, does not require the expenditure of cash as the Membership Programs offer discounts and promotions that are not otherwise redeemable for value. The Debtors believe that honoring these obligations and continuing the Membership Programs are necessary to maintaining customer relationships and generating sales. Accordingly, the Debtors seek authorization, but not direction, to continue the Membership Programs, including honoring any prepetition rewards obligations, on a postpetition basis in a manner consistent with their historical practices.

V. Sales Commission Program.

21. The Debtors contract with a third-party service provider (the "eCommerce Provider")[6] to place "affiliate links" on the eCommerce Provider's websites or mobile applications in exchange for commissions and fees (the "Sales Commission Program"). When a customer "clicks" on an affiliate link, the customer is directed to the Debtors' eCommerce platforms. If a customer arrives on the Debtors' websites by clicking the eCommerce Provider's affiliate link and such customer proceeds to complete a purchase of the Debtors' merchandise, the Debtors will pay

[6] The Debtors changed eCommerce Providers in January 2026. The information included herein pertains to the Debtors' eCommerce Provider as of the Petition Date.

a commission to the eCommerce Provider. Typically, the eCommerce Provider shares a portion of this commission with the customer who completed such purchase. The Debtors provide affiliate links to the eCommerce Provider to effectively provide customers an opportunity to purchase merchandise at a discount. From time to time, affiliate links permit customers to purchase the Debtors' merchandise at an actual discounted price, rather than share a commission with the eCommerce Provider.

22. The Sales Commission Program is responsible for a large portion of the Debtors' eCommerce revenue, which is approximately 12 percent in the aggregate of the Debtors' total annual revenue. Accordingly, the Sales Commission Program is a critical interface with customers, which the Debtors believe is imperative to generating sales, expanding the Debtors' customer base, and remaining competitive online. As of the Petition Date, the Debtors estimate that they owe approximately $205,000.00 to the eCommerce Provider on account of approximately $2,300,000.00 in revenue generated from the Sales Commission Program, all of which will come due in the Interim Period. Accordingly, the Debtors seek authorization, but not direction, to continue the Sales Commission Program, including honoring all prepetition obligations on a postpetition basis in a manner consistent with their historical practices, with cash payments on account of such prepetition obligations not to exceed $205,000.00 in the Interim Period.

VI. Warranty Programs.

23. In the ordinary course of business, the Debtors sell certain warranty packages through a third-party administrator, Extend, Inc. ("Extend"), and in return, receive a percentage commission from such sales (the "Warranty Program"). The price, duration, and terms of the warranty packages vary depending on the type and price of the covered merchandise. The Extend warranty and service plans are offered in connection with purchases of over 11,000 of the Debtors' products, including fishing reels, marine electronics (*e.g.*, GPS navigation and digital receivers),

electrical products (*e.g.*, batteries, battery chargers, and lighting systems), and appliances, among others, and are offered on top of a product's manufacturer's warranty. Customers deal directly with Extend with respect to warranty claims arising under the warranty packages. For the avoidance of doubt, the Warranty Program does not require the expenditure of cash from the Debtors to the customers. The Debtors collect commissions and pay a portion of those commissions to Extend on a monthly basis.

24. The Debtors operate in a market where warranties are necessary to encourage customers to make big-ticket purchases—especially where, in many instances, their purchases will be kept on the water and will be constantly subjected to the elements. Without the ability to continue the Warranty Program and to satisfy any related customer obligations, the Debtors risk losing customers to their competitors and diminishing the goodwill of the Debtors' brand.

25. As of the Petition Date, the Debtors estimate that approximately $120,000.00 is owed to Extend on account of the Warranty Program, all of which will come due in the Interim Period. Accordingly, the Debtors seek authorization, but not direction, to continue the Warranty Program, including honoring all prepetition obligations on a postpetition basis in a manner consistent with their historical practices, with cash payments on account of such prepetition obligations not to exceed $120,000.00 in the Interim Period.

VII. Credit Cards and Other Payment Processors.

26. In addition to cash, checks, gift cards, and rewards certificates, the Debtors accept certain non-cash methods of payment from customers, including the following: American Express, Visa, MasterCard, Discover, PayPal Holdings, Inc. ("PayPal"), Google Pay, and Apple Pay from customers at in-store and online points of sale (collectively, the "Card and Mobile Payments"). To process the Card and Mobile Payments, the Debtors are party to certain payment agreements (the "Payment Agreements") with payment processors, including Aurus, Inc., PayPal,

Affirm, Inc., and Paymentech, LLC (a/k/a Chase Merchant Services) and related service providers for merchant services, including HighRadius Corporation[7] (each, a "Payment Processing Company" and, collectively, the "Payment Processing Companies"). The processing fees charged by each Payment Processing Company (the "Processing Fees") and the schedules pursuant to which Processing Fees are owed vary depending on the terms of the applicable Payment Agreement but are in the range of 1.9 to 2.9 percent. Pursuant to the Payment Agreements, the Debtors generally receive the net customer sales less any Chargebacks (as defined herein), returns, and Processing Fees charged. The Processing Fees owed to the Payment Processing Companies are set off from the funds that are remitted to the Debtors on account of the Card and Mobile Payments each business day. For the avoidance of doubt, as of the Petition Date, the Payment Processing Companies are not owed any outstanding amounts on account of the Processing Fees.

27. When customers either return merchandise to the Debtors following a purchase made via Card and Mobile Payment or dispute charges with a Payment Processing Company, the Debtors may be obligated to refund to such Payment Processing Company the purchase price of the returned or disputed merchandise, subject to certain adjustments (collectively, the "Chargebacks," and together with the Processing Fees, the "Processing Obligations"). Generally, Chargebacks are satisfied by netting the amount charged against pending payments owed by a Payment Processing Company to the Debtors. As of the Petition Date, the Debtors estimate that the Payment Processing Companies are holding reserves in the amount of $1,000,000.00, which amount is determined by each respective Payment Processing Company based on processing history and risk of loss, as collateral in support of the Chargebacks.

[7] HighRadius Corporation ("HighRadius") is a third-party payment facilitator. As of the Petition Date, the Debtors believe there are no amounts outstanding to HighRadius.

28. Card and Mobile Payments are essential to the operation of the Debtors' businesses because the majority of the Debtors' sales are made using Card and Mobile Payments. Declining to accept Card and Mobile Payments would have a severe negative effect on the Debtors' ongoing operations, the cost of which would be borne by the estates. It is possible that certain Processing Obligations incurred by the Debtors immediately prior to the Petition Date may not have been fully netted out against the payments received by the Debtors prior to the Petition Date. To avoid disrupting these vital payment processing services, the Debtors seek authorization, but not direction, to continue paying the Processing Obligations pursuant to the terms of the Payment Agreements and to continue to set off the Processing Obligations against amounts remitted to the Debtors, whether arising before or after the Petition Date, in the ordinary course of business and consistent with their historical practices.

Basis for Relief

29. Courts have recognized that it is appropriate to authorize the payment of prepetition obligations where necessary to protect and preserve the estate, including an operating business's going-concern value. *See, e.g.*, *In re Just for Feet, Inc.*, 242 B.R. 821, 825–26 (D. Del. 1999); *see also In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002); *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175–76 (Bankr. S.D.N.Y. 1989); *Armstrong World Indus., Inc. v. James A. Phillips, Inc. (In re James A. Phillips, Inc.)*, 29 B.R. 391, 398 (S.D.N.Y. 1983). In so doing, these courts acknowledge that several legal theories rooted in sections 105(a) and 363(b) of the Bankruptcy Code support the payment of prepetition claims.

30. Section 363(b) of the Bankruptcy Code permits a bankruptcy court, after notice and a hearing, to authorize a debtor to "use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). "In determining whether to authorize the use, sale or lease of property of the estate under this section, courts require the debtor to show that a sound

business purpose justifies such actions." *Dai-Ichi Kangyo Bank, Ltd. v. Montgomery Ward Holding Corp. (In re Montgomery Ward Holding Corp.)*, 242 B.R. 147, 153 (D. Del. 1999) (collecting cases); *see also Armstrong World*, 29 B.R. at 397 (relying on section 363 to allow contractor to pay prepetition claims of suppliers who were potential lien claimants because the payments were necessary for general contractors to release funds owed to debtors); *In re Ionosphere Clubs*, 98 B.R. at 175 (finding that a sound business justification existed to justify payment of certain prepetition wages); *In re Phx. Steel Corp.*, 82 B.R. 334, 335–36 (Bankr. D. Del. 1987) (requiring the debtor to show a "good business reason" for a proposed transaction under section 363(b)).

31. Courts also authorize payment of prepetition claims in appropriate circumstances based on section 105(a) of the Bankruptcy Code. Section 105(a) of the Bankruptcy Code codifies a bankruptcy court's inherent equitable powers to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Under section 105(a), courts may authorize pre-plan payments of prepetition obligations when essential to the continued operation of a debtor's businesses. *See In re Just for Feet*, 242 B.R. at 825−26. Specifically, a court may use its power under section 105(a) of the Bankruptcy Code to authorize payment of prepetition obligations pursuant to the "necessity of payment" rule (also referred to as the "doctrine of necessity"). *See, e.g.*, *In re Ionosphere Clubs*, 98 B.R. at 176; *In re Lehigh & New England Ry Co.*, 657 F.2d 570, 581 (3d Cir. 1981) (stating that courts may authorize payment of prepetition claims when there "is the possibility that the creditor will employ an immediate economic sanction, failing such payment"); *see also In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 191–92 (Bankr. D. Del. 1994) (noting that, in the Third Circuit, debtors may pay prepetition claims that are essential to the continued operation of the business). A bankruptcy court's use of its

equitable powers to "authorize the payment of pre-petition debt when such payment is needed to facilitate the rehabilitation of the debtor is not a novel concept." *In re Ionosphere Clubs*, 98 B.R. at 175–76 (citing *Miltenberger v. Logansport, C. & S.W. Ry. Co.*, 106 U.S. 286 (1882)). Indeed, at least one court has recognized that there are instances when a debtor's fiduciary duty can "only be fulfilled by the preplan satisfaction of a prepetition claim." *In re CoServ*, 273 B.R. at 497.

32. Additionally, pursuant to section 507(a)(7) of the Bankruptcy Code, up to $3,800.00 in claims arising from a consumer's pre-petition deposit "of money for the purchase of property or services for personal, family, or household use," to the extent that such property or services were not provided, shall have priority over other general unsecured claims. *See* 11 U.S.C. § 507(a)(7). This provision was added to the Bankruptcy Code in 1984 to "protect consumers who had deposited money for goods and services with a business that subsequently filed for bankruptcy" and has since been adjusted to increase the priority amount. *In re River Vil. Assocs.*, 161 B.R. 127, 133 (Bankr. E.D. Pa. 1993), *aff'd*, 181 B.R. 795 (E.D. Pa. 1995). Section 507(a)(7) of the Bankruptcy Code protects benefits vested before the commencement of a case under chapter 11 of the Bankruptcy Code, including benefits similar to those accrued under the Gift Card Programs. *See In re WW Warehouse, Inc.*, 313 B.R. 588, 594 (Bankr. D. Del 2004) (finding that gift certificate holders are entitled to priority status). Thus, satisfaction of claims arising under these particular Customer Programs on a postpetition basis will not enhance the priority of the customers or prejudice the rights of general unsecured creditors or other parties in interest.

33. Continuing to administer the Customer Programs without interruption during the pendency of these chapter 11 cases will help preserve the Debtors' valuable customer relationships

and goodwill, which will inure to the benefit of all of the Debtors' creditors and stakeholders in the form of ongoing customer purchases. In addition, continued maintenance of the Customer Programs will allow the Debtors to maintain and expand their loyal customer base. Importantly, the Debtors' competitors maintain similar programs, meaning the Debtors' various customers have a ready audience willing to meet such customers' needs and take their business away from the Debtors. Thus, if the Debtors are unable to continue their Customer Programs postpetition or to pay amounts or other value due and owing to their customers under the various Customer Programs, the Debtors risk alienating certain customer constituencies, losing at least some customers to the Debtors' competitors, and suffering corresponding losses in customer loyalty and goodwill that will harm the Debtors' prospects for a reorganization that maximizes value. Accordingly, the Debtors submit that they have shown sufficient cause to warrant the authority to honor the Customer Programs and to honor any customer obligations relating thereto.

Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers

34. The Debtors have sufficient funds to pay the amounts described in this Motion in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to cash collateral. In addition, under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests relating to any authorized payment in respect of the relief requested herein. Therefore, the Debtors respectfully request that the Court: (a) authorize the Banks to receive, process, honor, and pay all checks presented for payment and electronic payment requests relating to the relief sought herein to the extent that the Debtors have sufficient funds on deposit in their accounts with the Banks, whether such checks were presented or electronic requests were submitted before or after the Petition Date; and (b) authorize the Banks to rely on the Debtors' designation of any particular check or electronic

payment request as appropriate pursuant to this Motion without any duty of further inquiry and without liability for following the Debtors' instructions. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to payments authorized by the relief requested herein, will not be honored inadvertently.

The Requirements of Bankruptcy Rule 6003 Are Satisfied

35. Pursuant to Bankruptcy Rule 6003, the Court may grant relief within twenty-one (21) days after the filing of the petition regarding a motion to "use, sell, lease, or otherwise incur an obligation regarding property of the estate" only if such relief is "needed to avoid immediate and irreparable harm." *See* Fed. R. Bankr. P. 6003(b). Immediate and irreparable harm exists where the absence of relief would impair a debtor's ability to reorganize or threaten the debtor's future as a going concern. *See In re Ames Dep't Stores, Inc.*, 115 B.R. 34, 36 n.2 (Bankr. S.D.N.Y. 1990) (discussing the elements of "immediate and irreparable harm" in relation to Bankruptcy Rule 4001).

36. An immediate and orderly transition into chapter 11 is critical to the viability of the Debtors' operations. Failure to receive the requested relief during the first twenty-one days of these chapter 11 cases would severely disrupt the Debtors' operations at this critical juncture and cause immediate and irreparable harm. The requested relief is necessary for the Debtors to operate their businesses in the ordinary course, preserve the ongoing value of their operations, and maximize the value of their estates for the benefit of all stakeholders. The Debtors have demonstrated that the requested relief is "needed to avoid immediate and irreparable harm," as contemplated by Bankruptcy Rule 6003, and the Court should grant the requested relief.

Waiver of Bankruptcy Rules 6004(a) and 6004(h)

37. To the extent that any aspect of the relief sought herein constitutes a use of property under section 363(b) of the Bankruptcy Code, the Debtors seek a waiver of the notice requirements

under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). As described above, the relief that the Debtors seek in this Motion is necessary for the Debtors to operate their business without interruption and to preserve value for their estates.

Reservation of Rights

38. Notwithstanding anything to the contrary herein, nothing contained in this Motion or any actions taken pursuant to any order granting the relief requested by this Motion (including any payment made in accordance with any such order), is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or otherwise affect the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; or (h) a waiver of the obligation of any party in interest to file a proof of claim.

Notice

39. The Debtors will provide notice of this Motion to the following parties or their respective counsel: (a) the Office of the United States Trustee for the District of Delaware; (b) the holders of the thirty (30) largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to Eclipse, as ABL Agent and FILO Agent; (d) counsel to Wilmington Savings Fund Society, FSB, as Term Loan Agent; (e) counsel to the Consenting Stakeholders; (f) the office of the attorney general for each of the states in which the Debtors operate; (g) the United States Attorney's Office for the District of Delaware; (h) the Internal Revenue Service; (i) the Banks; and (j) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors will serve copies of this Motion and any order entered in respect to this Motion as required by Local Rule 9013-1(m). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

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WHEREFORE, the Debtors respectfully request entry of the Interim Order and Final Order, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, respectively, (a) granting the relief requested herein and (b) granting such other relief as is just and proper.

Dated: May 17, 2026
Wilmington, Delaware

/s/ Shella Borovinskaya

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Exhibit A

Proposed Interim Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
WEST MARINE, INC., *et al.*,[1]	)	Case No. 26-10794 (___)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. __**

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN AND ADMINISTER THEIR CUSTOMER PROGRAMS AND (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO; (II) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS; AND (III) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order"), (a) authorizing the Debtors to (i) maintain and administer their Customer Programs and (ii) honor certain prepetition obligations related thereto, (b) authorizing the Banks to honor and process checks and electronic transfer requests related to the foregoing, and (c) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29,

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: West Marine, Inc. (5502); Marine One Holdco, LLC (2231); Marine One Parent, Inc. (0402); Rising Tide Holdings Inc. (2628); Rising Tide Parent Inc. (6153); Seascapes, Inc. (3739); W Marine Management Company, Inc. (4151); and West Marine Products, Inc. (4523). For purposes of these chapter 11 cases, the Debtors' service address is West Marine Headquarters, 1 East Broward Blvd., Suite 200, Fort Lauderdale, FL 33301.

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

2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter this Interim Order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth in this Interim Order.

2. The final hearing (the "Final Hearing") on the Motion shall be held on _____, 2026, at__:__ _.m., (prevailing Eastern Time). Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m. (prevailing Eastern Time) on _____, 2026 and shall be served on: (a) the Debtors, West Marine, Inc., 1 East Broward Blvd., Suite 200, Fort Lauderdale, Florida 33301, Attn.: Paulee Day, Chief Executive Officer; (b) proposed counsel to the Debtors, (i) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Matthew C. Fagen, P.C. (matthew.fagen@kirkland.com); (ii) Kirkland & Ellis LLP, 830 Brickell Plaza, Miami, Florida 33131, Attn.: Brian J. Nakhaimousa (brian.nakhaimousa@kirkland.com) and Trevor Eck (trevor.eck@kirkland.com); and (iii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn.: Michael R. Nestor (mnestor@ycst.com), Kara Hammond Coyle

(kcoyle@ycst.com), Shella Borovinskaya (sborovinskaya@ycst.com), and Kristin L. Cardoza (kcardoza@ycst.com); (c) counsel to Eclipse, as ABL Agent and FILO Agent, (i) Riemer Braunstein LLP, Times Square Tower, Suite 2506, Seven Times Square, New York, New York 10036, Attn: Lyle Stein (lstein@riemerlaw.com), Emily Lustbader (elustbader@riemerlaw.com), and Steven Fox (sfox@riemerlaw.com); and (ii) Ashby & Geddes, P.A., 500 Delaware Avenue, 8th Floor, Wilmington, Delaware 19801, Attn: Gregory A. Taylor (gtaylor@ashbygeddes.com); (d) counsel to the Consenting Stakeholders, (i) Otterbourg P.C., 230 Park Avenue, New York, New York 10169, Attn: Daniel F. Fiorillo (dfiorillo@otterbourg.com) and Nicholas Palazzolo (npalazzolo@otterbourg.com); (ii) Milbank LLP, 55 Hudson Yards, New York, New York 10001, Attn: Matthew Brod (mbrod@milbank.com) and Benjamin Schak (bschak@milbank.com); and (iii) Richards, Layton, & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Michael J. Merchant (merchant@rlf.com); (e) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn.: Linda Casey (linda.casey@usdoj.gov); and (f) any statutory committee appointed in these chapter 11 cases. If no objections are filed to the Motion, this Court may enter an order approving the relief requested in the Motion on a final basis without further notice or hearing.

3. Any objections to the entry of this Interim Order, to the extent not withdrawn or settled, are overruled.

4. The Debtors are authorized, but not directed, to continue to (a) administer the Customer Programs currently in effect and to maintain, modify, renew, replace, supplement, and/or terminate the Customer Programs in the ordinary course of business and consistent with past practice, in consultation with the Consenting Stakeholders; and (b) honor any undisputed

obligations related thereto, whether incurred prepetition or postpetition as they come due in the ordinary course of business consistent with past practice without further application to this Court; *provided* that payments on account of such prepetition obligations will not exceed $2,325,000.00 pending entry of the Final Order.[3]

5. Any claim a Payment Processing Company may have under the Payment Agreements shall be entitled to, in addition to any other lien, collateral, or payment priority rights in support thereof, administrative expense priority status pursuant to section 503(b) of the Bankruptcy Code.

6. The Banks on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such Banks are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

7. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief (including any payment made in accordance with this Interim Order), nothing in this Interim Order is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) except as expressly provided for herein, an implication, admission, or finding that any particular claim is an administrative expense

[3] For the avoidance of doubt, the Debtors may honor obligations under the Gift Card Program, the Sales Promotions, Coupons, and Free Shipping Programs, the Membership Programs, and Processing Fees without regard to the aggregate "cap" set forth herein.

claim, other priority claim, or otherwise of a type specified or defined in this Interim Order or the Motion or any order granting the relief requested by the Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or otherwise affect the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; or (h) a waiver of the obligation of any party in interest to file a proof of claim.

8. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

9. The Debtors have demonstrated that the requested relief is "needed to avoid immediate and irreparable harm," as contemplated by Bankruptcy Rule 6003.

10. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due.

11. Notwithstanding anything to the contrary contained herein, any payment to be made, and any relief or authorization granted hereunder, shall not conflict with, and shall be subject to, the requirements imposed on the Debtors under the terms of any order authorizing the use of cash collateral (the "Cash Collateral Order") and the budget approved thereunder (the "Budget"), and nothing herein shall alter the rights of the secured parties under the Cash Collateral Order or the Budget, as applicable. To the extent that there may be any conflict between the terms of this

Interim Order, the terms of the Cash Collateral Order or the Budget, the terms of the Cash Collateral Order or the Budget, as applicable, shall govern.

12. Notice of the Motion as provided therein shall be deemed good and sufficient notice of the Motion, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

13. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

15. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

Exhibit B

Proposed Final Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
WEST MARINE, INC., *et al.*,[1]	)	Case No. 26-10794 (___)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. _ & _**

FINAL ORDER (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN AND ADMINISTER THEIR CUSTOMER PROGRAMS AND (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO; (II) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS; AND (III) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of a final order (this "Final Order"), (a) authorizing the Debtors to (i) maintain and administer their Customer Programs and (ii) honor certain prepetition obligations related thereto, (b) authorizing the Banks to honor and process checks and electronic transfer requests related to the foregoing, and (c) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this

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

Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"), if any; and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth in this Final Order.

2. Any objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.

3. The Debtors are authorized, but not directed, to continue to administer the Customer Programs currently in effect and honor any undisputed prepetition obligations related to the Customer Programs, in each case in the ordinary course of business, consistent with prepetition practices, and to modify, replace, or terminate any Customer Program in the ordinary course of

business, in consultation with the Consenting Stakeholders; *provided* that payments on account of such prepetition obligations will not exceed $2,325,000.00.[3]

4. The Banks on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such Banks are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

5. Any claim a Payment Processing Company may have under the Payment Agreements shall be entitled to, in addition to any other lien, collateral, or payment priority rights in support thereof, administrative expense priority status pursuant to section 503(b) of the Bankruptcy Code.

6. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief (including any payment made in accordance with this Final Order), nothing in this Final Order is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) except as expressly provided for herein, an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this Final Order or the Motion or any order granting the relief requested by the Motion; (e) a request or authorization to assume,

[3] For the avoidance of doubt, the Debtors may honor obligations under the Gift Card Program, the Sales Promotions, Coupons, and Free Shipping Programs, the Membership Programs, and Processing Fees without regard to the aggregate "cap" set forth herein.

adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or otherwise affect the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; or (h) a waiver of the obligation of any party in interest to file a proof of claim.

7. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

8. Nothing in this Final Order authorizes the Debtors to accelerate any payments not otherwise due.

9. Notwithstanding anything to the contrary contained herein, any payment to be made, and any relief or authorization granted hereunder, shall not conflict with, and shall be subject to, the requirements imposed on the Debtors under the terms of any order authorizing the use of cash collateral (the "Cash Collateral Order") and the budget approved thereunder (the "Budget"), and nothing herein shall alter the rights of the secured parties under the Cash Collateral Order or the Budget, as applicable. To the extent that there may be any conflict between the terms of this Final Order, the terms of the Cash Collateral Order or the Budget, the terms of the Cash Collateral Order or the Budget, as applicable, shall govern.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of the Motion, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

11. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

12. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

13. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.