Docket #0011 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 SEEKING ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING DEBTORS TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, 503(B)(9) CLAIMANTS, LIEN CLAIMANTS, AND HSE SUPPLIERS, (II) GRANTING ADMINISTRATIVE EXPENSE PRIORITY TO ALL UNDISPUTED OBLIGATIONS ON ACCOUNT OF OUTSTANDING ORDERS, (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS, AND (IV) 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 interim and final orders, 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 pay, in the ordinary course of business, prepetition amounts owing on account of (i) Critical Vendor Claims (as defined herein), (ii) 503(b)(9) Claims

[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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(as defined herein), (iii) Lien Claims (as defined herein), and (iv) HSE Claims (as defined herein); (b) granting administrative expense priority to all undisputed obligations on account of goods or services ordered by the Debtors prior to the date hereof that will not be delivered or performed until after the Petition Date and authorizing the Debtors to satisfy such obligations in the ordinary course of business; 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), 363, 503, 1107(a), and 1108 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 Rule 9013-1(m).

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.

Overview of the Debtors' Vendors

7. The vendors and suppliers that the Debtors rely on for products and services necessary to effectively run their business are located around the world. Without strong vendor relationships, the Debtors' ability to continue providing high quality boating products—including motors, fishing gear, electronics, nautical apparel, and a broad selection of maritime accessories—would be impacted. Importantly, if these vendors are not paid, the Debtors may not be able to profitably operate their brick-and-mortar stores or fulfill orders received through their eCommerce platforms.

8. Many of the Debtors' most critical vendors rely in large part on the goods or services provided to, and ensuing payment from, the Debtors for their continued viability, as the Debtors make up a substantial portion of these vendors' businesses. Such vendors would likely face their own liquidity issues without a continuing, stable payment plan, and the consequences of their instability would ultimately be borne by the Debtors. Through the relief requested in this Motion, the Debtors will be able to provide comfort to their most critical vendors, while ensuring stability for the Debtors' operations—a proposition which will ultimately benefit all of the stakeholders in these chapter 11 cases.

9. The following table summarizes the estimated prepetition amounts that the Debtors seek authority, but not direction, to pay pursuant to this Motion:

Category	Description	Approximate Amount Sought to be Paid Under Final Order	Approximate Amount Sought to be Paid During Interim Period
Critical Vendors	Specialized suppliers of goods and services that are critical to maintain the Debtors' day-to-day operations, or which are sole or limited-source providers of the goods and services necessary for the uninterrupted operations of the Debtors' business.	$17,750,000.00	$10,000,000.00
503(b)(9) Claimants	Suppliers that provided goods to the Debtors that were received within twenty days before the Petition Date, which may give rise to claims under section 503(b)(9) of the Bankruptcy Code.	$12,600,000.00	$7,600,000.00
Lien Claimants	Suppliers of goods or services utilized by or provided to the Debtors that may assert shipper's liens, mechanic's liens, or other similar liens.	$2,950,000.00	$2,950,000.00
HSE Suppliers	Suppliers whose services are necessary to ensure the health, safety, environmental, and/or regulatory compliance of the Debtors' operations.	$150,000.00	$150,000.00
Total		$33,450,000.00	$20,700,000.00

I. Critical Vendors.

10. As set forth above and described further in the First Day Declaration, the Debtors are in the competitive business of selling quality maritime products, including safety equipment, fishing supplies, electrical components, and a broad selection of performance and casual apparel to discerning boating enthusiasts. Specifically, the Debtors compete against a broad spectrum of outdoor lifestyle suppliers and maritime equipment providers, including traditional boating supply centers, other specialty outdoors stores, and online retailers, among others.

11. In the ordinary course of business, the Debtors engage certain of their vendors for critical products and services. Damaged relationships with these vendors would be value destructive, impairing the Debtors' access to products and services that are mission critical to the Debtors' postpetition operations. If the Debtors are unable to continue operating with minimal disruption during the pendency of these chapter 11 cases, they may lose customers to their competitors to the detriment of their stakeholders. Moreover, one of the Debtors' key value propositions is the ability to provide quality boating products at reasonable prices. Stressed relationships with key vendors would inevitably damage that value proposition by necessitating steep price increases, as additional costs incurred by the Debtors would ultimately be passed on to consumers. It is therefore essential to the success of the Debtors' restructuring efforts that relationships with key legacy vendors be unimpeded by the filing of these chapter 11 cases.

12. In light of these concerns, the Debtors have identified a limited number of their most critical vendors who supply goods or services that are vital to the Debtors' go-forward operations and without whom the Debtors would be unable to continue to operate in the ordinary course during the pendency of these chapter 11 cases. The Debtors and their professionals have undertaken an analysis to narrow the list of Critical Vendors (as defined herein) to those specific vendors without whom the Debtors would face significant disruption and instability. The Debtors

obtain necessary products and services from such Critical Vendors and replacing them would likely be impossible or result in substantially higher costs for the Debtors and, ultimately, their customers. To maintain stability during this critical stage of these chapter 11 cases, and to avoid jeopardizing the Debtors' sales and business operations going forward, the Debtors seek to pay prepetition amounts owed to the Critical Vendors. Payment of such Critical Vendor Claims (as defined herein) is essential to ensuring that the Debtors' operations remain unimpeded throughout these chapter 11 cases.

A. Merchandise Critical Vendors.

13. As further described in the First Day Declaration, the Debtors' businesses are organized into two broadly defined sales channels: (a) brick-and-mortar retail locations, through which the Company physically sells core boating products, private brand merchandise, and an extensive list of other nautical accessories, and (b) two eCommerce platforms, through which the Company offers its customers online access to purchase approximately 100,000 various boating products. The Merchandise Critical Vendors (as defined herein) provide goods that reach the end purchaser through both the brick-and-mortar and eCommerce sales channels.

14. These sales channels would not exist—indeed *could* not exist—but for the key vendors responsible for providing the Debtors with the wide variety of merchandise described above (such vendors, the "Merchandise Critical Vendors," and the prepetition claims held by the Merchandise Critical Vendors, the "Merchandise Critical Vendor Claims"). Many of the Merchandise Critical Vendors offer key brands or specialty West Marine branded products that would be difficult to source elsewhere in a timely manner with the same product specifications. Because the Merchandise Critical Vendors provide products at purchase volumes that suit the Debtors' business requirements, the Debtors could not transition the Merchandise Critical Vendors

to replacement vendors absent substantial lead time. Such a delay entirely eliminates transitioning to a replacement vendor as a viable option.

15. The Merchandise Critical Vendors also provide the Debtors with merchandise on trade terms that create considerable liquidity for the Debtors' businesses. Maintaining these trade terms are critical to the Debtors' success and ability to maintain their inventory. Without these Merchandise Critical Vendors' products and agreement to continue an ordinary course relationship and support the Debtors' restructuring efforts, the Debtors cannot operate a profitable, successful retail business. The relief requested in this Motion ensures continuity in the supply chain, as the Debtors obtain inventory, goods, or other materials from the Merchandise Critical Vendors on an order-by-order basis.[3]

16. The Debtors seek authority, but not direction, to pay approximately $15,750,000.00 on account of Merchandise Critical Vendor Claims, of which approximately $9,400,000.00 is sought to be paid between the entry of the Interim and Final Orders (the "Interim Period"), which amounts represent the Debtors' best estimate as to what aggregate amounts must be paid to the Merchandise Critical Vendors to continue an uninterrupted supply of critical goods. The Debtors further request the authority to allocate the foregoing amounts in their sole discretion, without prejudice to seek additional relief, and subject to agreements (within the Debtors' discretion) to receive terms consistent with Customary Trade Terms (as defined herein) from the Merchandise Critical Vendors. For the avoidance of doubt, the Debtors intend to pay the Critical Vendor Claims (as defined herein) only where they believe, in their business judgment, that the benefits to their estates from making such payments will exceed the costs.

[3] While the Debtors may have contractual arrangements with certain of the Merchandise Critical Vendors, those contractual arrangements do not govern purchases, which are effectuated through purchase orders on an order-by-order basis.

B. Marketing Arrangements

17. In the ordinary course of business, the Debtors and certain of their vendors, including certain of the Merchandise Vendors, enter into agreements (collectively, the "Marketing Development Fund Agreements") for marketing initiatives, such as advertising and promotional events. The mix of marketing services provided by the Debtors to each counterparty differs according to the terms of each Marketing Development Fund Agreement, which reflects the goals of the applicable counterparty. As of the Petition Date, Debtor West Marine Products, Inc. is party to approximately 80 Marketing Development Fund Agreements.

18. In a typical Marketing Development Fund Agreement, the counterparty is required to pay the Debtors a fee (the "MDF"), which varies depending on the applicable Marketing Development Fund Agreement, on a monthly or quarterly basis, as applicable, in exchange for initiatives that increase brand visibility of the counterparty's products through the Debtors' sales channels. Under most of the Merchandise Development Fund Agreements, the MDF is informally reconciled and deducted from the Debtors' open accounts payable with the applicable counterparty, generally on the first of each month or at the end of each quarter. By reconciling open accounts payable against the MDFs, the Debtors save approximately $2,500,000.00 monthly.

19. The Debtors believe that continuing to honor the Marketing Development Fund Agreements on a post-petition basis is critical to maintaining relationships with their vendor base, and, in turn, inures to the benefit of the Debtors' estates. Accordingly, out of an abundance of caution, the Debtors seek authority, but not direction, to continue to honor the terms of the Marketing Development Fund Agreements on a post-petition basis, including by reconciling post-petition payables against the MDFs, consistent with the terms of the Marketing Fund Development Agreements and ordinary course past practices.

C. Non-Merchandise Critical Vendors.

20. In addition to the Merchandise Critical Vendors, the Debtors also transact with certain vendors who provide non-merchandise goods, equipment, technology, products, and services that are mission-critical to the operation of the Debtors' business (such vendors, the "Non-Merchandise Critical Vendors," and together with the Merchandise Critical Vendors, the "Critical Vendors").[4] The Non-Merchandise Critical Vendors provide essential products and services related to, among other things, software systems, store management, information technology systems, digital tools, marketing, advertising, and operations that allow the Debtors to run their retail business smoothly and efficiently.

21. The products and services provided by the Non-Merchandise Critical Vendors are necessary to the Debtors' ability to provide a robust shopping experience for customers and preserve and maximize the value of their estates. Without the Non-Merchandise Critical Vendors, the Debtors cannot sustain the retail operations that they have spent decades building and would be unable to continue serving their customers at the level necessary to effectively compete in the outdoor retail industry. The Debtors believe that some of the Non-Merchandise Critical Vendors may be unwilling to do business on existing terms without payment of at least a portion of such vendors' prepetition claims (the prepetition claims of Non-Merchandise Critical Vendors, the "Non-Merchandise Critical Vendor Claims," and together with the Merchandise Critical Vendor Claims, the "Critical Vendor Claims")—assuming such parties will continue to supply goods or services to the Debtors at all.

[4] For the avoidance of doubt, vendors that provide goods which are later sold to customers are not Non-Merchandise Critical Vendors.

22. In many instances, the Non-Merchandise Critical Vendors are the only vendors able to produce or deliver the products or services sufficient to meet the Debtors' operational needs. If certain Non-Merchandise Critical Vendors refuse to provide products and services to the Debtors after the Petition Date on account of unpaid prepetition claims, the Debtors would be left scrambling to procure new vendors. This process could take several months, resulting in a detrimental impact to the Debtors' customer interface, brand messaging efforts, and general operational stability. Further, in some cases, there may be no true replacement if a relationship with a Non-Merchandise Critical Vendor falters. Even where alternative vendors exist, the time and costs associated with switching from one vendor to another would likely be significant and distract from the Debtors' normal business operations and restructuring efforts, to the detriment of the Debtors' estates, their creditors, and other stakeholders.

23. The Debtors seek authority, but not direction, to pay approximately $2,000,000.00 on account of Non-Merchandise Critical Vendor Claims, of which approximately $600,000.00 is sought to be paid during the Interim Period, which amounts represent the Debtors' best estimate as to what aggregate amounts must be paid to the Non-Merchandise Critical Vendors to continue their uninterrupted supply of critical products and services. The requested relief will allow the Debtors to preserve stakeholder value by paying certain prepetition claims of counterparties where necessary to ensure the continuity of the Debtors' retail business.

D. The Debtors' Process for Identifying Critical Vendors.

24. To effectively run their business, the Debtors rely on products and services provided by thousands of vendors. The Debtors have identified the Critical Vendors as vital to the Debtors' go-forward operations. Many of the Critical Vendors provide products and services that are available only from a limited number of vendors. Moreover, even where alternative vendors exist, the time and costs associated with switching from one vendor to another are often significant

and would be detrimental to the Debtors' estates. In light of the potential for immediate irreparable harm if the Critical Vendors refuse to continue to provide products and services to the Debtors, payment of the Critical Vendor Claims is essential to the go-forward business and is necessary to avoid costly disruptions to the Debtors' operations.

25. To identify the Critical Vendors, the Debtors, with the assistance of their advisors, reviewed their books and records, consulted with operations management and purchasing personnel, reviewed contracts and supply agreements, and analyzed applicable laws, regulations, and historical practices to identify only those vendors that are most critical to the continued and uninterrupted operation of the Debtors' business—the loss of which could materially harm their business, shrink their market share, reduce their enterprise value, and impair going-concern viability. Specifically, in identifying the Critical Vendors, the Debtors examined each of their vendor relationships with the following criteria in mind:

- whether certain specifications or contract requirements prevent, directly or indirectly, the Debtors from obtaining goods and services from alternative sources;
- whether a particular vendor is a "sole source" supplier or service provider;
- whether the services provided by the vendor are so vital, or the vendor's operations are so commingled with the Debtors' business, that even the briefest disruption would cause significant harm to the Debtors' operations;
- whether the Debtors would be unable to obtain comparable products or services from alternative sources on a cost-effective basis within a reasonable timeframe;
- whether alternative vendors are available that can provide the requisite volumes of similar goods or services on equal (or better) terms and, if so, whether the Debtors would be able to continue operating while transitioning business thereto;

- the degree to which replacement costs (including pricing, transition expenses, professional fees, and lost sales or future revenue) exceed the amount of a vendor's prepetition claim;
- whether the Debtors' inventory levels or service coverage is sufficient to meet customer demands while an alternative vendor is located;
- the location of the vendor;
- whether a vendor meeting the foregoing criteria is able or likely to refuse to continue providing essential products or services to the Debtors if their prepetition balances are not paid; and
- whether the business relationship between the Debtors and the supplier is governed by a contract that the Debtors may compel the enforcement of postpetition.

26. The Debtors' selection process balanced the need to ensure that these chapter 11 cases do not disrupt their operations, adversely affect their market share, or injure their customer relationships, with the need to limit the expenditure of estate resources. To that end, the Debtors have undertaken a process to ensure that the Critical Vendors truly represent those vendors that are most vital to the Debtors' ongoing operations. Paying targeted Critical Vendor Claims benefits the Debtors' estates, both monetarily and operationally, by preserving liquidity and enabling the Debtors to operate smoothly during these chapter 11 cases.

27. Failure to pay the Critical Vendor Claims could cause such Critical Vendors to refuse to provide the goods and services necessary for the Debtors' business operations. Even a temporary disruption to such provisioning could result in the Debtors' inability to operate their stores and sell their products to customers, which would immediately and irreparably harm the Debtors' business, damage their vital third-party relationships, and significantly impair their going-concern viability. Such harm would far outweigh the cost of paying the Critical Vendor Claims.

28. The Debtors seek authority, but not direction, to pay and discharge the Critical Vendor Claims when the Debtors determine, in the reasonable exercise of their business judgment, that payment of the applicable Critical Vendor Claim, in whole or in part, is necessary to the Debtors' postpetition operations and maximizes the value of their estates. The Debtors intend to pay Critical Vendor Claims only where they believe, in their business judgment, that the benefits from making such payments will exceed the costs to their estates. The Debtors seek to pay approximately $17,750,000.00 to the Critical Vendors, of which approximately $10,000,000.00 is sought to be paid during the Interim Period.

II. 503(b)(9) Claimants.

29. In the ordinary course of business, the Debtors may have received certain inventory, goods, and materials from various vendors (collectively, the "503(b)(9) Claimants") within the twenty-day period immediately preceding the Petition Date, thereby giving rise to claims that may be afforded administrative priority under section 503(b)(9) of the Bankruptcy Code (the "503(b)(9) Claims"). The Debtors obtain inventory, goods, or other materials from the 503(b)(9) Claimants on an order-by-order basis. As a result, the 503(b)(9) Claimants may refuse to supply new orders without payment of their 503(b)(9) Claims. Such refusal could negatively impact the Debtors' estates as the Debtors' business is dependent on the steady flow of inventory to stock their stores and eCommerce platform. The Debtors seek authority, but not direction, to pay approximately $12,600,000.00 on account of goods delivered within the twenty-day period immediately preceding the Petition Date, approximately $7,600,000.00 of which is sought to be paid during the Interim Period and the value of which may be entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.[5] This amount represents the Debtors' best estimate as

[5] For the avoidance of doubt, such amounts exclude 503(b)(9) Claims that are classified as Lien Claims or Critical

to what aggregate amounts must be paid to the 503(b)(9) Claimants to continue an uninterrupted supply of critical goods.

30. The Debtors seek authority, but not direction, to pay and discharge, on a case-by-case basis, the 503(b)(9) Claims when the Debtors determine, in the reasonable exercise of their business judgment, that payment of the applicable 503(b)(9) Claim, in whole or in part, is necessary to the Debtors' postpetition operations and that the benefit to their estates from making such payments will exceed the costs that their estates would otherwise incur. The Debtors seek authority to pay only those amounts that they determine are necessary or appropriate to (a) obtain critical or valuable goods, (b) maintain a reliable, efficient, and smooth distribution system, and (c) induce the 503(b)(9) Claimants to continue to provide goods. The Debtors intend to pay prepetition 503(b)(9) Claims only where they believe, in their business judgment, that the benefits to their estates from making such payments will exceed the costs to their estates.

III. Lien Claimants.

31. Further, the Debtors' business depends on the uninterrupted flow of products through their supply chain and distribution network, including the purchase, importation, storage, and shipment of the Debtors' inventory, merchandise, and other goods. This supply and distribution network is critical to the Debtors' operation and maintenance of their retail enterprise. The supply chain depends on services provided by, among others, various freight forwarders, common carriers, HVAC and electrical maintenance vendors, lift truck providers, and other warehouse managers (collectively, the "Shippers and Materialmen").

32. Under certain non-bankruptcy laws, third-party contractors such as the Shippers and Materialmen and other claimants (the "Lien Claimants") may be able to assert liens on the

Vendor Claims for purposes of this Motion.

goods in their possession (as applicable) to secure payment of the charges or expenses incurred in connection with these prepetition obligations (the "Lien Claims").[6] Accordingly, if the Lien Claims are not satisfied, the Lien Claimants could attempt to assert such possessory liens and refuse to deliver or release the Debtors' goods or otherwise impede the Debtors' use of property until their claims are satisfied and their liens redeemed. The Lien Claimants' possession (and retention) of the Debtors' goods and supplies or enforcement of a mechanic's lien would disrupt the Debtors' supply chain and distribution network and negatively affect the Debtors' ability to generate revenue and efficiently administer these chapter 11 cases.[7] The cost of such disruption to the Debtors' estates in many cases would likely be greater than the applicable Lien Claims. Pursuant to section 363(e) of the Bankruptcy Code, the Lien Claimants may be entitled to adequate protection of any valid possessory lien, which would drain estate assets.

33. The Debtors seek authority, but not direction, to pay approximately $2,950,000.00 on account of Lien Claims, all of which is sought to be paid during the Interim Period. The Debtors seek authority, but not direction, to pay and discharge, on a case-by-case basis, the Lien Claims when the Debtors determine, in the reasonable exercise of their business judgment, that payment of the applicable Lien Claim, in whole or in part, is necessary to the Debtors' postpetition operations and that the benefit to their estates from making such payments will exceed the costs

[6] For example, section 7-307 of the Uniform Commercial Code provides, in pertinent part, that a "carrier has a lien on the goods covered by a bill of lading or on the proceeds thereof in its possession for charges after the date of the carrier's receipt of the goods for storage or transportation, including demurrage and terminal charges, and for expenses necessary for preservation of the goods incident to their transportation or reasonably incurred in their sale pursuant to law." *See* U.C.C. § 7-307(a) (2005); U.C.C. § 7-209(a) ("A *warehouse* has a lien against the bailor on the *goods* covered by a warehouse receipt or storage agreement or on the proceeds thereof in its possession for charges for storage or transportation, including demurrage and terminal charges, insurance, labor, or other charges, present or future, in relation to the goods, and for expenses necessary for preservation of the goods or reasonably incurred in their sale pursuant to law.") (emphasis added).

[7] By this Motion, the Debtors do not concede that any liens (contractual, common law, statutory, or otherwise) described in this Motion are valid, and the Debtors expressly reserve the right to contest the extent, validity, and perfection of any and all such liens, and to seek avoidance thereof.

that their estates would otherwise incur. For the avoidance of doubt, the Debtors seek authority to pay only those amounts of Lien Claims that the Debtors determine, in their sole discretion, to be necessary or appropriate to (a) obtain release of critical or valuable goods, (b) maintain reliable, efficient, and smooth distribution systems, and (c) induce the Lien Claimants to continue performing and otherwise supporting the Debtors' operations on a postpetition basis.

IV. HSE Suppliers.

34. In the ordinary course of business, the Debtors incur obligations to suppliers of services utilized in the Debtors' retail operations, the payment of which is reasonably necessary to ensure the health, safety, environmental, and/or regulatory compliance of the Debtors' operations or to otherwise maintain the integrity of the Debtors' enterprise (such suppliers, the "HSE Suppliers," and the prepetition claims held by the HSE Suppliers, the "HSE Claims"). The HSE Suppliers primarily provide battery processing services and certain security services that ensure the safety and wellbeing of the Debtors' customers, facilities, and property. Any attempt by the HSE Suppliers to refuse delivery of goods or to refuse to provide services on account of nonpayment of the HSE Claims could increase the risk of injury, accident, or property loss at the Debtors' locations or result in significant environmental liability against the Debtors' estates.

35. The Debtors seek authority, but not direction, to pay approximately $150,000.00 on account of HSE Claims, all of which is sought to be paid during the Interim Period. The Debtors seek authority, but not direction, to pay and discharge, on a case-by-case basis, the HSE Claims when the Debtors determine, in the reasonable exercise of their business judgment, that payment of the applicable HSE Claim, in whole or in part, is necessary to the Debtors' postpetition operations and that the benefit to their estates from making such payments will exceed the costs that their estates would otherwise incur.

V. Customary Trade Terms.

36. Subject to the Court's approval, the Debtors intend to satisfy prepetition claims described herein only to the extent necessary to preserve their business. In order to avoid disruption of the Debtors' operations, the Debtors seek authorization, but not direction, to condition payment, either in full or in part, of the Critical Vendor Claims, 503(b)(9) Claims, Lien Claims, and HSE Claims (collectively, the "Trade Claims") upon each vendor's agreement to continue—or recommencement of—supplying goods and services on terms that are acceptable to the Debtors in accordance with trade terms (including credit limits, discounts, pricing, timing of payments, availability, and other terms) consistent with the parties' ordinary course practice or as otherwise agreed by the Debtors in their reasonable business judgment (the "Customary Trade Terms"). The Debtors reserve the right to require, at their discretion, that the Customary Trade Terms be made in writing, including by email or through a trade agreement, as a condition to payment.

37. In addition, if any party accepts payment pursuant to the relief requested by this Motion and thereafter does not continue to provide goods or services on Customary Trade Terms, then the Debtors reserve the right, in their sole discretion, to: (a) deem any payment on account of a prepetition claim received by such party an improper postpetition transfer and, therefore, immediately recoverable by the Debtors in cash upon written request by the Debtors; (b) upon recovery by the Debtors, declare any prepetition claim of such party as reinstated as if the payment had not been made; and (c) recharacterize and apply any payment made pursuant to the relief requested by this Motion to any outstanding postpetition balance and to demand that such supplier or vendor be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or otherwise.

VI. Outstanding Orders.

38. Prior to the Petition Date and in the ordinary course of business, the Debtors may have ordered goods that will not be delivered until after the Petition Date (the "Outstanding Orders"). In the mistaken belief that they would be general unsecured creditors of the Debtors' estates with respect to such goods, certain suppliers may refuse to ship or transport such goods (or may recall such shipments) with respect to such Outstanding Orders unless they have comfort that such Outstanding Orders would be treated as administrative expenses of the Debtors' estates. To prevent any disruption to the Debtors' business operations, and given that goods delivered after the Petition Date are afforded administrative expense priority under section 503(b) of the Bankruptcy Code, the Debtors request that the Court confirm the administrative expense priority status of Outstanding Orders under section 503(b) of the Bankruptcy Code and authorize the Debtors to pay for the Outstanding Orders in the ordinary course of business and consistent with past practice.

Basis for Relief

I. The Court Should Grant the Relief Requested in This Motion Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code.

39. Courts have recognized that it is appropriate to authorize the payment of prepetition obligations, including payments to critical vendors, where necessary to protect and preserve the estate. *See, e.g.*, *Czyzewski v. Jevic Holding Corp.*, 137 S. Ct. 973, 985 (2017) (noting that courts "have approved . . . 'critical vendor' orders that allow payment of essential suppliers' prepetition invoices"); *see also In re Just for Feet, Inc.*, 242 B.R. 821, 826 (D. Del. 1999) (finding that payment of prepetition claims to certain trade vendors was "essential to the survival of the debtor during the chapter 11 reorganization"); *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) ("The ability of a bankruptcy court 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 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 as provided herein.

40. Pursuant to section 363(b) of the Bankruptcy Code, payment of prepetition obligations may be authorized where a sound business purpose exists for doing so. *See Ionosphere Clubs*, 98 B.R. at 175 (noting that section 363(b) of the Bankruptcy Code provides "broad flexibility" to authorize a debtor to honor prepetition claims where supported by an appropriate business justification). Indeed, courts have 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, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002).

41. In addition, the Court may authorize payment of prepetition claims in appropriate circumstances based on section 105(a) of the Bankruptcy Code, which codifies the 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." Under section 105(a) of the Bankruptcy Code, courts may authorize pre-plan payments of prepetition obligations when essential to the continued operation of a debtor's business. *See Just for Feet*, 242 B.R. at 825. Specifically, the Court may use its equitable 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"). *Ionosphere Clubs*, 98 B.R. at 176.

42. Indeed, the United States Court of Appeals for the Third Circuit recognized the "necessity of payment" doctrine in *In re Lehigh & New Eng. Ry. Co.*, 657 F.2d 570, 581 (3d Cir. 1981). The Third Circuit held that a court could authorize the payment of prepetition

claims if such payment was essential to the continued operation of the debtor. *Id.* (stating 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 Penn Cent. Transp. Co.*, 467 F.2d 100, 102 n.1 (3d Cir. 1972) (holding that the necessity of payment doctrine permits "immediate payment of claims of creditors where those creditors will not supply services or material essential to the conduct of the business until their pre-reorganization claims have been paid"); *Just for Feet*, 242 B.R. at 824–25 (noting that, in the Third Circuit, debtors may pay prepetition claims that are essential to continued operation of business); *In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 191–92 (Bankr. D. Del. 1994) (same).

43. Moreover, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, debtors in possession are fiduciaries "holding the bankruptcy estate[s] and operating the business[es] for the benefit of [their] creditors and (if the value justifies) equity owners." *CoServ*, 273 B.R. at 497. Implicit in the fiduciary duties of any debtor in possession is the obligation to "protect and preserve the estate, including an operating business's going-concern value." *Id.* Some courts have noted that there are instances in which a debtor can fulfill this fiduciary duty "only . . . by the preplan satisfaction of a prepetition claim." *Id.* The court in *CoServ* specifically noted the pre-plan satisfaction of prepetition claims would be a valid exercise of the debtor's fiduciary duty when the payment "is the only means to effect a substantial enhancement of the estate . . . " *Id.*

44. The Debtors have a sound business purpose for the relief requested herein. The authority to honor unpaid Trade Claims and the terms of the Marketing Development Fund Agreements in the initial days of these chapter 11 cases, without disrupting the Debtors' operations, will maintain the integrity of the Debtors' supply chain, facilitate the Debtors' retail operations, and preserve the Debtors' relationship with their customers, all of which will allow the

Debtors to efficiently administer these chapter 11 cases. Failure to pay these Trade Claims could potentially destroy value that would otherwise inure to the benefit of the Debtors' estates.

II. The Court Should Authorize the Payment of the Critical Vendor Claims and the HSE Claims.

45. The Debtors require a steady provision of goods and services provided by the Critical Vendors and HSE Suppliers in order to continue operating their business and maintaining operational stability. Importantly, any disruption to the Debtors' supply chain could result in a significant loss of operational efficiency, decreasing the value of the Debtors' business, which could impair stakeholder value at the outset of these chapter 11 cases.

46. Allowing the Debtors to pay the Critical Vendor Claims and the HSE Claims pursuant to all or some of the above-referenced Bankruptcy Code provisions is especially appropriate where, as here, doing so is consistent with the "two recognized policies" of chapter 11 of the Bankruptcy Code—preserving going concern value and maximizing the value of property available to satisfy creditors. *See Bank of Am. Nat'l Trust & Savs. Ass'n v. 203 N. LaSalle St. P'Ship*, 526 U.S. 434, 453 (1999).

47. Moreover, the Debtors require the services provided by the HSE Suppliers for the safety and wellbeing of the Debtors' customers, facilities, and property. Any attempt by the HSE Suppliers to refuse delivery of goods or to refuse to provide services on account of nonpayment of the HSE Claims could increase the risk of injury, accident, or property loss at the Debtors' locations or result in significant environmental liability against the Debtors' estates, thereby causing value-destructive harm to the Debtors' estates.

48. The Debtors depend on the provision of goods and services by the Critical Vendors and the HSE Suppliers and will continue to do so postpetition as the Debtors seek to preserve and maximize the value of their estates. Ensuring these Critical Vendors and HSE Suppliers continue

to provide goods and services is therefore vital to the success of these chapter 11 cases and the ability of the Debtors to maximize any going-concern value. Accordingly, for the reasons set forth herein, the Debtors submit that it is appropriate for the Court to authorize the Debtors to satisfy the Critical Vendor Claims and HSE Claims.

III. The Court Should Authorize the Payment of Claims Entitled to Priority Pursuant to Section 503(b)(9) of the Bankruptcy Code.

49. Section 503(b)(9) of the Bankruptcy Code provides administrative priority for "the value of any goods received by the debtor within 20 days before the date of commencement of a case under this title in which the goods have been sold to the debtor in the ordinary course of such debtor's business." The 503(b)(9) Claims must be paid in full for the Debtors to confirm a chapter 11 plan, unless the holders of such claims consent otherwise. *See* 11 U.S.C. § 1129(a)(9)(A). Consequently, the payment of such claims now only provides such parties with what they would be entitled to receive under a chapter 11 plan. Absent this relief, the Debtors could be denied access to the goods necessary to maintain the Debtors' operations and maximize the value of the Debtors' estates. All parties will, therefore, benefit from the Debtors' ongoing business relationships with the 503(b)(9) Claimants.

50. Moreover, the Bankruptcy Code does not prohibit a debtor from paying such claims prior to confirmation. As administrative claims incurred in the ordinary course of business, the Debtors believe they may pay such claims in accordance with their reasonable business judgment pursuant to section 363(c)(1) of the Bankruptcy Code. *See, e.g.*, October 31, 2006 Hr'g Tr., at 49, *In re Dura Auto. Sys., Inc.*, No. 06-11202 (KJC) (Bankr. D. Del. Nov. 6, 2006) ("THE COURT: I think arguably the debtor could pay its 503(b)(9) claimants without court approval."). The timing of such payments lies squarely within the Court's discretion. *See In re Glob. Home Prods., LLC*, No. 06-10340 (KG), 2006 WL 3791955, at *3 (Bankr. D. Del. Dec. 21, 2006) (agreeing with

parties that "the timing of the payment of that administrative expense claim is left to the discretion of the Court").

51. The Debtors' ongoing ability to obtain inventory and other goods and supplies as provided herein is key to their survival and necessary to preserve the value of their estates. Absent payment of the 503(b)(9) Claims in the ordinary course during these chapter 11 cases—which merely accelerates the timing of payment and not the ultimate treatment of such claims—the Debtors could be denied access to the goods necessary to maintain the Debtors' business operations. Failure to honor these claims in the ordinary course of business may also cause the Debtors' vendor base to withhold support for the Debtors during the chapter 11 process. Such vendors could accelerate or eliminate favorable trade terms. The cost of that disruption and the resulting administrative burden would far exceed the cost of paying 503(b)(9) Claims as they come due. Accordingly, for the reasons set forth herein, the Debtors submit that it is appropriate for the Court to authorize the Debtors to satisfy the 503(b)(9) Claims.

IV. The Court Should Authorize the Payment of Lien Claims.

52. Certain Lien Claimants may be entitled under applicable non-bankruptcy law to assert certain possessory liens or other statutory liens on the Debtors' goods or other property in their possession (notwithstanding the automatic stay under section 362 of the Bankruptcy Code) in an attempt to secure payment of their prepetition claim. Under section 362(b)(3) of the Bankruptcy Code, the act of perfecting such liens, to the extent consistent with section 546(b) of the Bankruptcy Code, is expressly excluded from the automatic stay.[8] *See* 11 U.S.C. § 362(b)(3). As a result, the Debtors anticipate that certain Lien Claimants may assert or perfect liens, refuse

[8] *See* 11 U.S.C. § 546(b)(1)(A) (providing that a debtor's lien avoidance powers "are subject to any generally applicable law that . . . permits perfection of an interest in property to be effective against an entity that acquires rights in such property before the date of perfection.").

to turn over goods in their possession, or stop performing their ongoing obligations. Even absent a valid lien, to the extent that certain Lien Claimants have possession of the Debtors' inventory, mere possession or retention would disrupt the Debtors' operations.

53. Additionally, pursuant to section 363(e) of the Bankruptcy Code, the Lien Claimants may be entitled to adequate protection of a valid possessory lien to the extent that the Debtors use or sell the estate property against which a Lien Claim is asserted. Given that the value of such property will generally far exceed the value of the related Lien Claim, creditors will not be harmed—and, in fact, will be benefited—by the satisfaction of certain amounts owed to the Lien Claimants. Those payments will facilitate the use and/or sale of estate property against which liens may otherwise be asserted, helping to preserve the going-concern value of the Debtors' business.

54. Moreover, paying the Lien Claims should not impair unsecured creditor recoveries in these chapter 11 cases. In instances where the amount owed to a Lien Claimant is less than the value of the goods that could be held to secure a Lien Claimant's claim, such party may be a fully-secured creditor of the Debtors' estates. In such instances, payment now only provides the Lien Claimants with what they might be entitled to receive under a chapter 11 plan, without any interest costs that might otherwise accrue during these chapter 11 cases. Conversely, all parties will benefit from the seamless transition of the Debtors' operations into bankruptcy. Accordingly, for the reasons set forth herein, the Debtors submit that it is appropriate for the Court to authorize the Debtors to satisfy the Lien Claims.

V. The Court Should Confirm That Outstanding Orders Are Administrative Expense Priority Claims and That Payment of Such Claims Is Authorized.

55. Pursuant to section 503(b)(1) of the Bankruptcy Code, obligations that arise in connection with the postpetition delivery of goods and services, including goods ordered

prepetition, are administrative expense priority claims because they benefit the estate postpetition. *See* 11 U.S.C. § 503(b)(1)(A) (providing that the "actual [and] necessary costs and expenses of preserving the estate" are administrative expenses); *see also In re John Clay & Co.*, 43 B.R. 797, 809–10 (Bankr. D. Utah 1984) (holding that goods ordered prepetition but delivered postpetition are entitled to administrative priority). Thus, granting the relief sought herein with respect to the Outstanding Orders will not afford such claimants any greater priority than they otherwise would have if the relief requested herein were not granted and will not prejudice any other party in interest.

56. Absent such relief, however, the Debtors may be required to expend substantial time and effort reissuing the Outstanding Orders. The attendant disruption and delay to the continuous and timely flow of critical materials and other goods to the Debtors would potentially halt operations and production, disrupt the Debtors' business, erode the Debtors' customer base, and lead to a loss of revenue, all to the detriment of the Debtors' estates and their creditors.

57. Accordingly, the Court should confirm that claims arising from the Outstanding Orders are entitled to administrative expense priority status and should authorize the Debtors to pay the Outstanding Orders in the ordinary course of business and consistent with past practice.

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

58. 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 Debtors' banks and other financial institutions (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

59. Pursuant to Bankruptcy Rule 6003, the Court may grant relief within twenty-one 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).

60. 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)

61. 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

62. 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

63. 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.

[Remainder of Page Intentionally Left Blank]

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 DEBTORS TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, 503(B)(9) CLAIMANTS, LIEN CLAIMANTS, AND HSE SUPPLIERS, (II) GRANTING ADMINISTRATIVE EXPENSE PRIORITY TO ALL UNDISPUTED OBLIGATIONS ON ACCOUNT OF OUTSTANDING ORDERS, (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS, AND (IV) 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, but not directing, the Debtors to pay, on an interim basis and in the ordinary course of business, prepetition amounts owing on account of (i) Critical Vendor Claims, (ii) 503(b)(9) Claims, (iii) Lien Claims, and (iv) HSE Claims, (b) granting administrative expense priority to all undisputed obligations on account of goods ordered by the Debtors prior to the date hereof that will not be delivered until after the Petition Date and authorizing the Debtors to satisfy such obligations in the ordinary course of business, (c) granting related relief, and (d) scheduling a hearing to consider approval of the Motion on a final basis, all as more fully set forth in the Motion;

[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 given to such terms 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 Court having found that it 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 the First Day Declaration 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 the First Day Declaration 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, in the reasonable exercise of their business judgment, to honor, pay all or part of, and otherwise satisfy and discharge, on a case-by-case basis, Trade Claims in an aggregate amount of up to $20,700,000.00 on an interim basis, absent further order of this Court.

5. The Debtors are authorized, but not directed, to continue to operate under the Marketing Development Fund Agreements pursuant to the terms thereof consistent with ordinary course past practices, including, without limitation, by way of post-petition setoff without further order of this Court.

6. All undisputed obligations on account of the Outstanding Orders are granted administrative expense priority in accordance with section 503(b)(1)(A) of the Bankruptcy Code; *provided, however*, that the Debtors can terminate any outstanding orders prior to delivery and any canceled orders are not afforded administrative priority.

7. The Debtors are authorized, but not directed, to pay all undisputed amounts on account of the Outstanding Orders.

8. As a condition to receiving payment hereunder, the Debtors, at their discretion, may require, by written agreement, including e-mail or through a trade agreement, such parties to continue supplying goods or services to the Debtors in accordance with Customary Trade Terms. The Debtors reserve the right to require more favorable trade terms with any party as a condition to payment of any prepetition claim.

9. Regardless of whether an agreement has been executed, if any party accepts payment hereunder for a prepetition obligation of the Debtors premised on compliance with the above, and thereafter fails to comply with the Customary Trade Terms, or other such terms as agreed to with the Debtors, then, subject to entry of a final order on the Motion from this Court:

the Debtors reserve the right to: (a) declare any payment on account of a prepetition claim received by such party an improper postpetition transfer and, therefore, immediately recoverable by the Debtors in cash upon written request by the Debtors; (b) upon recovery by the Debtors, declare any prepetition claim of such party as reinstated as if the payment had not been made; and (c) recharacterize and apply any payment made pursuant to the relief requested by the Motion to any outstanding postpetition balance and to demand that such supplier or vendor be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or otherwise.

10. Any Critical Vendor, 503(b)(9) Claimant, Lien Claimant, or HSE Supplier that accepts payment from the Debtors on account of all or a portion of such party's claim pursuant to this Interim Order shall be deemed to (a) agree to the terms and provisions of this Interim Order and (b) have waived, to the extent so paid, Critical Vendor Claims, 503(b)(9) Claims, Lien Claims, or HSE Claims of any type, kind, or priority (including any reclamation claim), against the Debtors, their assets, and properties.

11. Nothing herein shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Critical Vendor, 503(b)(9) Claimant, Lien Claimant, or HSE Supplier. The Debtors do not concede that any claims satisfied pursuant to this Interim Order are valid, and the Debtors expressly reserve all rights to contest the extent, validity, or perfection, or to seek the avoidance of all such liens or the priority, of such claims.

12. 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) 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.

13. 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 without any duty of further inquiry and without liability for following the Debtors' instructions.

14. The Debtors are authorized 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 any Critical Vendor Claims, 503(b)(9) Claims, and Lien Claims, subject to paragraph 4 of this Interim Order.

15. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.

16. The Debtors shall maintain a schedule of amounts directly or indirectly paid, subject to the terms and conditions of this Interim Order, including the following information: (a) the name of the transferor; (b) the name of the transferee; (c) the amount of the payment; and (d) the purpose of the payment. The Debtors shall provide a copy of such schedule to counsel to the Consenting Stakeholders on the third Thursday following the conclusion of each calendar month, beginning with a report for May 2026 on June 18, 2026.

17. 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.

18. 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.

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

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

21. 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 DEBTORS TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS, 503(B)(9) CLAIMANTS, LIEN CLAIMANTS, AND HSE SUPPLIERS, (II) GRANTING ADMINISTRATIVE EXPENSE PRIORITY TO ALL UNDISPUTED OBLIGATIONS ON ACCOUNT OF OUTSTANDING ORDERS, (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS, AND (IV) 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, but not directing, the Debtors to pay, in the ordinary course of business, prepetition amounts owing on account of (i) Critical Vendor Claims, (ii) 503(b)(9), (iii) Lien Claims, and (iv) HSE Claims, (b) granting administrative expense priority to all undisputed obligations on account of goods ordered by the Debtors prior to the date hereof that will not be delivered until after the Petition Date and authorizing the Debtors to satisfy such obligations in the ordinary course of business, 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

[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 given to such terms in the Motion.

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 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 and no other notice need be provided; and this Court having reviewed the Motion and the First Day Declaration 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 the First Day Declaration 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, in the reasonable exercise of their business judgment, to honor, pay all or part of, and otherwise satisfy and discharge, on a case-by-case basis, Trade Claims in an aggregate amount of up to $33,450,000.00 on a final basis, absent further order of this Court.

4. The Debtors are authorized, but not directed, to continue to operate under the Marketing Development Fund Agreements pursuant to the terms thereof consistent with ordinary

course past practices, including, without limitation, by way of post-petition setoff without further order of this Court.

5. All undisputed obligations on account of the Outstanding Orders are granted administrative expense priority in accordance with section 503(b)(1)(A) of the Bankruptcy Code; *provided, however*, that the Debtors can terminate any outstanding orders prior to delivery and any canceled orders are not afforded administrative priority.

6. The Debtors are authorized, but not directed, to pay all undisputed amounts on account of the Outstanding Orders.

7. As a condition to receiving payment hereunder, the Debtors, at their discretion, may require, by written agreement, including e-amil or through a trade agreement, such parties to continue supplying goods or services to the Debtors in accordance with Customary Trade Terms. The Debtors reserve the right to require more favorable trade terms with any party as a condition to payment of any prepetition claim.

8. Regardless of whether an agreement has been executed, if any party accepts payment hereunder for a prepetition obligation of the Debtors premised on compliance with the above, and thereafter fails to comply with the Customary Trade Terms, or other such terms as agreed to with the Debtors, then the Debtors reserve the right to: (a) declare any payment on account of a prepetition claim received by such party an improper postpetition transfer and, therefore, immediately recoverable by the Debtors in cash upon written request by the Debtors; (b) upon recovery by the Debtors, declare any prepetition claim of such party as reinstated as if the payment had not been made; and (c) recharacterize and apply any payment made pursuant to the relief requested by the Motion to any outstanding postpetition balance and to demand that such supplier or vendor be required to repay to the Debtors such paid amounts that exceed the

postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or otherwise.

9. Any Critical Vendor, 503(b)(9) Claimant, Lien Claimant, or HSE Supplier that accepts payment from the Debtors on account of all or a portion of such party's claim pursuant to this Final Order shall be deemed to (a) agree to the terms and provisions of this Final Order and (b) have waived, to the extent so paid, Critical Vendor Claims, 503(b)(9) Claims, Lien Claims, or HSE Claims of any type, kind, or priority (including any reclamation claim), against the Debtors, their assets, and properties.

10. Nothing herein shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Critical Vendor, 503(b)(9) Claimant, Lien Claimant, or HSE Supplier. The Debtors do not concede that any claims satisfied pursuant to this Final Order are valid, and the Debtors expressly reserve all rights to contest the extent, validity, or perfection, or to seek the avoidance of all such liens or the priority, of such claims.

11. 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) 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.

12. 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 without any duty of further inquiry and without liability for following the Debtors' instructions.

13. The Debtors are authorized 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 any Critical Vendor Claims, Customs Broker Fees, Import/Export Claims, 503(b)(9) Claims, and Lien Claims, subject to paragraph 3 of this Final Order.

14. The Debtors shall maintain a schedule of amounts directly or indirectly paid, subject to the terms and conditions of this Final Order, including the following information: (a) the name of the transferor; (b) the name of the transferee; (c) the amount of the payment; and (d) the

purpose of the payment. The Debtors shall provide a copy of such schedule to counsel to the Consenting Stakeholders on the third Thursday following the conclusion of each calendar month.

15. 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.

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

17. 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.

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

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

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