

**ENTERED**

June 01, 2023

Nathan Ochsner, Clerk

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

*In re*

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

Debtors.

Case No. 23-90611 (DRJ)

Chapter 11

(Jointly Administered)

**FINAL ORDER (I) AUTHORIZING THE  
DEBTORS TO MAINTAIN THEIR INSURANCE  
POLICIES AND PROGRAMS AND HONOR  
RELATED OBLIGATIONS, (II) AUTHORIZING THE  
DEBTORS TO RENEW, SUPPLEMENT, MODIFY,  
EXTEND, REDUCE OR PURCHASE INSURANCE  
POLICIES, AND (III) MODIFYING THE AUTOMATIC  
STAY WITH RESPECT TO WORKERS' COMPENSATION**

(Docket No. 8)

<sup>1</sup> The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at <http://www.kccllc.net/incora/>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.



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Upon the motion (the “*Motion*”),<sup>2</sup> of the above-captioned debtors (collectively, the “*Debtors*”), for entry of an order (this “*Final Order*”) pursuant to sections 105(a), 362(d), 363(b) and 1107(a) of the Bankruptcy Code, Bankruptcy Rules 4001, 6003, and 6004, (i) authorizing the Debtors to (a) continue honoring Insurance Obligations, including by paying prepetition obligations related to Insurance Programs and by paying the Agent Fees; (b) renew, supplement, modify, extend, reduce or purchase new Insurance Policies in the ordinary course of business; and (c) direct all financial institutions to honor, to the extent of available funds, all checks and other fund transfers authorized by this Final Order; and (ii) modifying the automatic stay to permit employees to proceed with workers’ compensation claims; and (iii) granting other related relief; and the Court having jurisdiction to decide the Motion and to enter this Final Order pursuant to 28 U.S.C. § 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, such notice being adequate and appropriate under the circumstances; and after notice and a hearing, as defined in section 102 of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Motion and in the record establish just cause for entry of this Final Order; and it appearing that entry of this Final Order is in the best interests of the Debtors’ estates; it is hereby **ORDERED** that:

1. The Debtors are authorized, but not directed, to maintain and perform under their Insurance Programs in accordance with the practices and procedures that were in effect prior to commencement of these chapter 11 cases.

2. The Debtors are authorized, but not directed, to continue their Insurance Programs and to honor their Insurance Obligations, including by paying prepetition Insurance Obligations (including, for the avoidance of doubt, Agent Fees and Insurance Financing Obligations) in the ordinary course of business and in accordance with the same practices and procedures as were in effect prior to the commencement of the chapter 11 cases.

<sup>2</sup> Capitalized terms used but not defined in this Final Order have the meanings ascribed to them in the Motion.

3. The Debtors are authorized, but not directed, to renew, supplement, modify, extend, reduce or purchase Insurance Policies in the ordinary course of business. The Debtors shall notify the U.S. Trustee, counsel to the First Lien Noteholder Group, and any official committee appointed in these cases if the Debtors renew, supplement, modify, extend, reduce or purchase increase or decrease existing insurance coverage, change carriers or obtain additional coverage in a manner that would be materially inconsistent with the Debtors' current insurance coverage; *provided* that the Debtors shall provide five (5) business days' notice to counsel to the First Lien Noteholder Group of any material change to any Insurance Policies.

4. Notwithstanding anything to the contrary in this Final Order, and with the exception of Deductibles owed on account of Workers' Compensation Insurance, nothing in this Final Order shall be deemed to authorize payment of Deductibles or SIRs with respect to prepetition claims or occurrences. The right of the Debtors to seek relief with respect to Deductibles or SIRs is reserved.

5. All banks and financial institutions are authorized and required to receive, process, honor and pay all checks and other transfer requests with respect to payments made by the Debtors pursuant to this Final Order, whether presented before, on or after the Petition Date. However, a bank or other financial institution is not required to honor any such check or transfer request if insufficient funds are on deposit to cover the requested payment.

6. All banks and financial institutions are authorized to rely on the representations of the Debtors and their agents as to whether a particular payment is authorized to be paid pursuant to this Final Order.

7. The Debtors are authorized, but not directed, in their sole discretion, to issue new postpetition checks, or effect new transfers, on account of the Prepetition Obligations, to replace any prepetition checks or transfer requests issued that are dishonored or rejected as a result of the commencement of these chapter 11 cases.

8. The banks and financial institutions subject to this Final Order shall have no liability under the Bankruptcy Code for honoring any prepetition checks or funds transfer requests contemplated by this Final Order.

9. Pursuant to section 362(d) of the Bankruptcy Code, (a) all current and former employees of the Debtors are authorized to proceed with workers' compensation claims in the appropriate judicial or administrative forum, *provided* that the recoveries on any such claims shall be limited to the proceeds of the Debtors' workers' compensation insurance; (b) the Debtors and their Workers' Compensation Carriers are authorized to take all steps necessary or appropriate with respect to the resolution of any such claims, including by settling any such claims without further notice or hearing; and (c) the Workers' Compensation Carriers are authorized to make payments on any such claims without further notice or hearing.

10. Notwithstanding the relief granted in this Final Order, all authorizations herein and all payments and actions pursuant thereto shall be subject to each interim and final order entered by the Court in respect of the Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief* filed contemporaneously herewith (collectively, such interim and final orders, the "**DIP Order**"), including compliance with any budget or cash flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order or the DIP Documents (as defined in the DIP Order). To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Final Order, the terms of the DIP Order shall control.

11. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing contained in the Motion or this Final Order (nor any actions or payments pursuant to the relief granted herein) shall constitute, nor is it intended to constitute: (a) an implication, admission, concession or finding as to the validity, priority, amount, basis for, or secured status of any particular claim against any Debtor; (b) a waiver of the Debtors' or other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement

to pay any particular claim; (d) a waiver of any claim or cause of action that any Debtor or other party in interest may have against any entity; (e) a ratification, adoption, rejection or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code; (f) a waiver or limitation of any Debtor's or other party in interest's rights under any agreement, the Bankruptcy Code or other applicable law; or (g) an implication, admission, concession or finding (i) that any particular claim is of a type specified or defined in this Final Order or the Motion or (ii) that any lien, security interest, other encumbrance on property of any Debtor or right of setoff is valid, enforceable or perfected (and the Debtors and all other parties in interest expressly reserve and preserve their rights to contest or to seek avoidance of the same). Any payment made pursuant to this Final Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

12. The Debtors shall maintain a matrix of payments made pursuant to this Final Order that includes the following information: (a) the names of the payee; (b) the nature, date and amount of the payment; (c) the category or type of payment; and (d) the Debtor or Debtors that made the payment. Commencing with the first full month after entry of this Final Order, the Debtors shall provide a copy of that matrix on a confidential basis to the U.S. Trustee and on a confidential and professionals' eyes only basis (or on such other terms as mutually agreed) to counsel to the First Lien Noteholder Group and counsel to any statutory committee appointed in these chapter 11 cases within 7 days after the end of each month.

13. Notwithstanding Bankruptcy Rules 4001(a)(3) and 6004(h) or any other provision of the Bankruptcy Rules or Local Bankruptcy Rules, the terms of this Final Order shall be immediately effective and enforceable upon its entry.

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

15. The Court shall retain jurisdiction over all matters arising from or related to the implementation, interpretation or enforcement of this Final Order.

**Signed: June 01, 2023.**

  
**DAVID R. JONES**  
**UNITED STATES BANKRUPTCY JUDGE**

United States Bankruptcy Court  
Southern District of Texas

In re:  
Wesco Aircraft Holdings, Inc.  
Debtor

Case No. 23-90611-drj  
Chapter 11

## CERTIFICATE OF NOTICE

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

User: ADIuser  
Form ID: pdf002

Page 1 of 2  
Total Noticed: 7

The following symbols are used throughout this certificate:

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

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

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

TOTAL: 7

**Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.**  
Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

## BYPASSED RECIPIENTS

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

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

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

## NOTICE CERTIFICATION

**I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**

**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Jun 03, 2023

Signature: /s/Gustava Winters

## CM/ECF NOTICE OF ELECTRONIC FILING

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

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

User: ADIuser  
Form ID: pdf002

Page 2 of 2  
Total Noticed: 7

Andrew Jimenez	on behalf of U.S. Trustee US Trustee andrew.jimenez@usdoj.gov aubrey.thomas@usdoj.gov;Omar.E.Jones@usdoj.gov
Andrew I Silfen	on behalf of Successor Trustee BOKF NA andrew.silfen@afslaw.com, lisa.indelicato@afslaw.com
Charles A Beckham, Jr	on behalf of Debtor Wesco Aircraft Holdings Inc. charles.beckham@haynesboone.com, kenneth.rusinko@haynesboone.com
Christopher Darnell Porter	on behalf of Plaintiff Wesco Aircraft Holdings Inc. chrisporter@quinnemanuel.com
Christopher Darnell Porter	on behalf of Debtor Wesco Aircraft Holdings Inc. chrisporter@quinnemanuel.com
Jason S Brookner	on behalf of Creditor Carlyle Global Credit Investment Management LLC jbrookner@grayreed.com, lwebb@grayreed.com
Jayson B. Ruff	on behalf of U.S. Trustee US Trustee jayson.b.ruff@usdoj.gov
John F Higgins, IV	on behalf of Interested Party First Lien Noteholder Group jhiggins@porterhedges.com emoreland@porterhedges.com;eliana-garfias-8561@ecf.pacerpro.com;mwebb@porterhedges.com
John P Melko	on behalf of Interested Party Ad Hoc 2024/2026 Noteholder Group jmelko@foley.com rdiep@foley.com;john-melko-2781@ecf.pacerpro.com;docketflow@foley.com
Kelli S. Norfleet	on behalf of Debtor Wesco Aircraft Holdings Inc. kelli.norfleet@haynesboone.com, kenneth.rusinko@haynesboone.com
Mark F Hebbeln	on behalf of Interested Party Ad Hoc 2024/2026 Noteholder Group mhebbeln@kobrekim.com james.r.lewis@wellsfargo.com;mark-hebbeln-5273@ecf.pacerpro.com
Robert Bernard Bruner	on behalf of Interested Party BANK OF AMERICA N.A. bob.bruner@nortonrosefulbright.com
US Trustee	USTPRegion07.HU.ECF@USDOJ.GOV

TOTAL: 13