

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

In re:

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Debtors.¹

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Plaintiffs,

v.

SSD INVESTMENTS LTD., et al.,

Defendants.

SSD INVESTMENTS LTD., et al.,

Counterclaim Plaintiffs,

v.

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Counterclaim Defendants.

Chapter 11

Case No. 23-90611 (MI)

(Jointly Administered)

Adv. Pro. No. 23-03091 (MI)

**NOTICE OF FILING OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS DEMONSTRATIVES**

PLEASE TAKE NOTICE that at the hearing held in the above-captioned Adversary Proceeding on September 23, 2024, the Official Committee of Unsecured Creditors referenced the demonstratives attached hereto as **Exhibit A**.

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



239061124092400000000003

Dated: September 24, 2024

Respectfully submitted,

MCDERMOTT WILL & EMERY LLP

/s/ Charles R. Gibbs

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Counsel to the Official Committee of Unsecured Creditors

CERTIFICATE OF SERVICE

I certify that on September 24, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Charles R. Gibbs
Charles R. Gibbs

Exhibit A

September 23, 2024, Committee Demonstratives

**Wesco Aircraft Holdings, Inc. *et al.* v.
SSD Investments Ltd. *et al.*
Adv. Pro. No. 23-03091 (MI)**

**Closing Presentation
By The Official Committee of
Unsecured Creditors**

September 23, 2024

Platinum Board Members Were Protecting Platinum's Interests As A Creditor

2) Mike Fabiano joined Kevin Smith on this call, he's on the board of Incora. He is Platinum's global head of credit. Suspect he's looking after their \$148mm unsecured bond position

Jesse Hou (Carlyle) to Adam Sherman (Spring Creek), ECF 723-8 at 7

Case 23-03091 Document 723-8 *SEALED* Filed in TXSB on 02/06/24 Page 7 of 21

this week to me, bottleneck is DTC/FM.

position, will see.

Sent: Tuesday, March 22, 2022
To: Sherman, Adam <Adam.Sherman@springcreekcap.com>
Craig.Ruch@springcreekcap.com
Subject: RE: Incora update

1) Connected with them tonight on what they perceived to be the last business point for the deal across the board – the MFN construct. We stuck with our position.

Redacted for Privilege

but they pushed back on that construct. We said that was an intentionally negotiated point. They said they would noodle on it. Will push to keep it. This deal very good for Platinum/the Company, they have the best negotiating position, don't want to entertain 11th hour asks from them.

Acknowledge it is admittedly optically slightly cheeky, but we did very intentionally want to always keep our 13.125% and scale the cash pay mix up for any exchanges.

2) Mike Fabiano joined Kevin Smith on this call, he's on the board of Incora. He is Platinum's global head of credit. Suspect he's looking after their \$148mm unsecured bond position.

3) Consult will be agreed to via email. VI on the consult for exchanging up 26s, rather than put it into a side letter they're going to agree to it via email (with no caveats), bit of a gentleman's agreement. **Redacted for Privilege**

Redacted for Privilege

Jesse Hou
Email: jesse.hou@carlyle.com
Personal Mobile: +1 (917) 972-2037
Work Mobile: +1 (646) 939-8920
Office: +1 (212) 813-4708

From: Jesse Hou
Sent: Tuesday, March 22, 2022 8:24 AM
To: Sherman, Adam <Adam.Sherman@springcreekcap.com>; Butcher, Eric K <Eric.Butcher@kochind.com>; Ruch, Craig <Craig.Ruch@springcreekcap.com>
Subject: RE: Incora update

Slipping to tomorrow/Thursday closing.

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CARLYLE_AP00003992

“Company” Insisted Platinum’s Notes Be Uptiered

Case 23-03091 Document 610-16 Filed in TXSB on 01/29/24 Page 8 of 10

Prepared at the Request of Counsel
Subject to FRE 408
Draft – Subject to Material Change

Carlyle Counterproposal (3/1/2022)		Company Counterproposal (3/2/2022)		Company Counterproposal (3/2/2022)
> Agree except Platinum shall not participate in exchange and all Platinum debt shall be PIK'd for life		> Carlyle, Senator and Platinum may exchange unsecured holdings into Super Senior Second-Out Debt at par; but for the avoidance of doubt, HoldCo PIK notes will not be eligible to participate		Agree
				Agree
				Agree
				\$1,050mm which includes exchange debt and basket for future incurrence / exchange
Super Senior Second-Out Debt	Eligible Participants	ROFR on New Money		
		> Carlyle, Senator and Platinum may exchange unsecured holdings into Super Senior Second-Out Debt at par; but for the avoidance of doubt, HoldCo PIK notes will not be eligible to participate	> Agree except Platinum shall not participate in exchange and all Platinum debt shall be PIK'd for life	> Carlyle, Senator and Platinum may exchange unsecured holdings into Super Senior Second-Out Debt at par; but for the avoidance of doubt, HoldCo PIK notes will not be eligible to participate
	Rate	> Unsecured Holders: 10% all-PIK	> 2022: Toggle for 10% cash or 5% cash / 10.125% PIK > 2023: Toggle for 10% cash or 7.5% cash / 7.625% PIK > 2024 and thereafter: 13.125% cash	> 2022: 12 125% PIK > 2023 and thereafter: 3% cash / 9.125% PIK > Subject to secured consent
	Call Protection	> N/A	> Closing through November 2024 SSN maturity: Par > November 2024 SSN maturity - November 2025: 102.5% > November 2025 - November 2026: 105% > November 2026 - August 2027: 107.5% > Thereafter: Par	> N/A
	Fees	> N/A	> PIK fee of 1.125% payable in Super Senior Second-out Notes	> N/A
	Maturity	> Nov-27	> Agree	> Agree

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DX-0507-007

 Milbank PJT Partners 3
CARLYLE_AP00040540

ECF 610-16 at 8

“Company” Told Independent Director That Transaction Would Close Only If Platinum Involvement Approved

Judge Marvin Isgur Hearing - Day 6

February 21, 2024
Page 352

1 BY MR. KISSNER:

2 Q. And in particular, you don't recall

3 Mr. Bartel

4 participat

5 the transa

6 A. N

7 Q. O

8 board of d

9 when they

10 transactio

11 the compon

12 Platinum o

13 A. Y

14 Q. B

15 if the com

16 of the tra

17 unlikely the broader transaction would close; is

18 that correct?

19 A. I'm sorry. Can you repeat the question?

20 Q. Sure. You did discuss with Mr. Bartels,

21 though, that if the, let's call it, Platinum piece

22 of the transaction didn't close, that the broader

23 transaction likely wouldn't close?

24 A. I believe we did, yes.

25 Q. Okay. And we're just gonna look at two

Q. Sure. You did discuss with Mr. Bartels, though, that if the, let's call it, Platinum piece of the transaction didn't close, that the broader transaction likely wouldn't close?

A. I believe we did, yes.

Feb. 21, 2024 James O'Connell Trial Tr. at 352:20-24

MAGNA
LEGAL SERVICES

SPAP 00001624

HARRISON FOERSTER

Supposed Benefit To Company From Management Fee Deferral Used To Justify Greater Cash Interest

Case 23-03091 Document 729-63 *SEALED* Filed in TXSB on 02/07/24 Page 29 of 63

From: Ellen Wheeler <ewheeler@silverpointcapital.com>
To: Daniel Lakhdir <daniel.lakhdir@evercore.com>
Subject: RE: Platinum Management Fee Deferral
Sent: Wednesday, February 7, 2024 10:00 AM
Hi Daniel,
I would further add that Platinum is agreeing to accrue (rather than receive cash) for their management fee, which is \$7mm per year. The company is viewing that as partially subsidizing the move on cash pay interest to the second out tranche.
Best,
Ellen Wheeler
Senior Managing Director
Silverpoint Capital

I would further add that Platinum is agreeing to accrue (rather than receive cash) for their management fee, which is \$7mm per year. The company is viewing that as partially subsidizing the move on cash pay interest to the second out tranche.

Do not know the sender, expect the email, and know the content is safe.

I would further add that Platinum is agreeing to accrue (rather than receive cash) for their management fee, which is \$7mm per year. The company is viewing that as partially subsidizing the move on cash pay interest to the second out tranche.

Roopesh Shah

Senior Managing Director

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SPAP_00001627

Roopesh Shah (Evercore) to Daniel Lakhdir (Evercore), ECF 729-63 at 29

ECF 536-8

Case 23-03091 Document 536-8 *SEALED* Filed in TXSB on 01/23/24 Page 1 of 9

CORPORATE ADVISORY SERVICES AGREEMENT

This Corporate Advisory Services Agreement (this "Agreement") is entered into as of January 9, 2020 (the "Effective Date") by and between Wolverine Top Holding Corporation, a Delaware corporation (the "Company") and Platinum Equity Advisors, LLC, a Delaware limited liability company ("Advisors").

RECITALS

A. The Company and its subsidiaries provide global aerospace and defense supply chain services (the "Business").

B. Prior to the Effective Date, Advisors provided certain advice to Pioneer Holdings S.à.r.l. ("Pioneer") pursuant to that certain Corporate Agreement, effective as of October 31, 2017, by and between Advisors and Pioneer Holdings S.à.r.l. (the "Former Services Agreement").

C. In connection with a restructuring (the "Restructuring") effecting the closing of the transactions (the "Closing") contemplated by that certain Agreement, dated as of August 8, 2019, by and among Wolverine Top Holding Corporation, Wolverine Merger Corporation and Wesco Aircraft Holdings, Inc., the Former Services Agreement was terminated and all (if any) outstanding obligations of Pioneer to Advisors (such obligations, the "Assigned Obligations") were assigned by Wolverine Top Holding Corporation, in each case, pursuant to that certain Assignment and Assumption Agreement, dated as of the date hereof (the "Assignment Agreement"), by and among Pioneer, the Company and Advisors.

D. As part of the Restructuring, it is contemplated that Pioneer shall

E. On or prior to the Effective Date, Advisors began to provide certain advisory services to the Company, including with respect to the Business and the Company's acquisition of Target.

F. The parties desire to formally memorialize (i) the Company's engagement of Advisors as a consultant providing certain transactional and corporate advisory services and (ii) the fees and expense reimbursement Advisors shall be entitled to in consideration of providing such services, all as set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Appointment and Term. The Company, on behalf of itself and its subsidiaries (collectively, the "Group"), hereby retains Advisors to provide (a) advice regarding the structuring and negotiating of material transactions for the Group, including, without limitation, the Company's indirect acquisition of Target and other material acquisitions, dispositions, debt financings, recapitalizations, capital markets or similar transactions (each, a "Major Transaction"),

CORPORATE ADVISORY SERVICES AGREEMENT

This Corporate Advisory Services Agreement (this "Agreement") is entered into as of January 9, 2020 (the "Effective Date") by and between Wolverine Top Holding Corporation, a Delaware corporation (the "Company") and Platinum Equity Advisors, LLC, a Delaware limited liability company ("Advisors").

DX-0064-001

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PLAT-AP-053733

ECF 536-8 at 1

ECF 536-8 (cont.)

Case 23-03091 Document 536-8 *SEALED* Filed in TXSB on 01/23/24 Page 2 of 9

(b) advice regarding identifying, structuring, negotiating, obtaining bank, institutional and other sources of financing for the Group with respect to a Major Transaction, (c) those services as set forth in Exhibit A hereto, and (d) such other services as the Company may request from time to time (collectively, the "Services"). The term of this Agreement shall begin on the Effective Date and shall continue until terminated by Advisors with or without cause.

2. Scope of Work. Advisors will perform the Services for the Group. The Company will charge the fees incurred and expenses reimbursed by the Company to the members of the Group; provided, however, that the Company shall remain responsible for any failure of any member of the Group to timely pay any amounts owed hereunder.

3. Quality of Services. Advisors shall render the Services in a professional, timely and workmanlike manner. The Services will be of the same quality and performed in the same manner of performance as such Services are performed by Advisors for its other affiliates.

4. Consulting Fee. In consideration of the Services (other than those Services with Major Transactions), the Company shall pay, or cause its to pay, to Advisors an annual fee (the "Consulting Fee") as shall be from time to time. The Consulting Fee shall be payable upon receipt subject to value added tax, sales tax or other similar taxes, where applicable.

5. Transaction and Financing Fees. In consideration of those Services with Major Transactions, the Company shall pay, or cause its to pay, to Advisors a fee (each, a "Transaction/Financing Fee") as shall be from time to time. The Transaction/Financing Fees shall be of the transaction or financing, whichever is applicable, and subject to value added tax, sales tax or other similar taxes, where applicable.

4.3. Expenses. In addition to the foregoing, the Company shall reimburse, or cause its subsidiary entities to reimburse, Advisors for all third-party costs (including attorneys' fees) incurred by Advisors in rendering the Services.

5. Audit Rights. Advisors shall keep a full, accurate and complete record of all costs and expenses incurred by Advisors in rendering the Services and shall maintain such records for a period of three (3) years from the end of each calendar year. So long as the Company is an affiliate of Advisors, the Company or its authorized representative shall have the right to examine and copy such records at all reasonable times during such period to verify the correctness of amounts paid to Advisors. If any such examination discloses an overpayment made by the Company of more than three percent (3%) of such payment, Advisors shall reimburse the Company for all of the expenses connected with such examination in addition to a refund of the amount of any such overpayment.

6. Default of Advisors. Notwithstanding anything contained in this Agreement to the contrary, in the event that Advisors shall default in any material respect in any of its obligations hereunder and such default shall continue for a period of 30 days following receipt of notice of such default, then the Company shall have the right to withhold all compensation otherwise

DX-0064-002

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PLAT-AP-053734

ECF 536-8 at 2

Platinum Had Decided Well Before Transaction To Stop Collecting Management Fee

Q And the reason why the management fee was paid only in 2020 was that, by late 2020, the business was experiencing a liquidity headwind, and Platinum decided not to introduce additional pressure by also charging a fee, correct?

A That's correct.

Q And that decision to stop charging the fee was made in late 2022 or early 2021, correct?

A Late 2020.

Q Late 2020?

A Yep. Or -- yep.

Q So more than a year prior to the March 2022 transaction?

A That's correct.

Feb. 1, 2024 Malik Vorderwuelbecke Trial Tr. at 204:1-13

MR. VORDERWUELBECKE - CROSS BY MS. FOOTIE

204

1 Q And the reason why the management fee was paid only in
2 2020 was that, by late 2020, the business was experiencing a
3 liquidity headwind, and Platinum decided not to introduce
4 additional pressure by also charging a fee, correct?

5 A That's correct.

6 Q And that decision to stop charging the fee was made in
7 late 2022 or early 2021, correct?

8 A Late 2020.

9 Q Late 2020?

10 A Yep. Or -- yep.

11 Q So more than a year prior to the March 2022
12 transaction?

13 A That's correct.

14 Q And there was an understanding at that time in late
15 2020 that Platinum would not charge a fee until Incora's
16 liquidity position improved, correct?

17 A That's correct.

18 Q And I believe you testified on direct that the fee --
19 even though Platinum had decided not to charge a fee for
20 2021 or 2022, that fee was accrued, correct?

21 A That's correct. Yeah. We did that with other
22 advisors as well at the time.

23 Q I'm sorry I couldn't hear what you said.

24 A We did that with other advisors as well at the time.

25 Q And, when we talk about accrual, there's, on the one

JUDICIAL TRANSCRIBERS OF TEXAS, LLC

Platinum Had Already Decided To Waive Management Fee

Page 91

1 Q And do you see the -- I know the print is a
2 little small, unfortunately, at least for me, but do
3 you see a listing for Incora on this summary?
4 A I do.
5 Q And do you see it says in the comments:
6 "No monitoring fees to be paid
7 for 2021 and 2022."
8 Do you see that?
9 A I do.
10 Q So
11 whether
12 2021 in a
13 A It is
14 Q And
15 waived o
16 MR.
17 THE
18 BY MS.
19 Q We
20 A The
21 Platinum
22 Q And
23 the book
24 2022?
25 A I do

A I do.

Q And do you see it says in the comments:

"No monitoring fees to be paid
for 2021 and 2022."

Do you see that?

A I do.

Q So is this consistent with your memory as to
whether there was monitoring fees paid by Incora for
2021 in addition to 2022?

A It is consistent with my memory, yes.

Q And do you know whether those fees were
waived or accrued?

MR. VORA: Object to form.

THE WITNESS: I do.

BY MS. FOUDY:

Q Were they waived or accrued?

A They were not accrued on the books of
Platinum Equity Advisors for 2021 nor 2022.

Q And do you know why they were not accrued on
the books of Platinum Equity Advisors for 2021 or
2022?

Page 92

1 Q And why was that?
2 A Incora was hard hit by COVID, and its
3 business experienced some cash flow challenges. So
4 the decision was made to not pay the monitoring fees
5 during the year for 2021.
6 And then at the end of 2021, when we were
7 looking at 2022, the
8 the monitoring fees.
9 Platinum Equity Ad
10 to accrue any fee for
11 MS. FOUDY:
12 So I'm going to
13 because we have tim
14 you very much, Ms.
15 THE WITNESS
16 MR. LAVINE:
17 Kobre & Kim.
18 There was a refe
19 light of you all being
20 want to take that nov
21 with some question
22 MS. OBERWE
23 another, you know,
24 that.
25 MR. LAVINE:

Q And why was that?

A Incora was hard hit by COVID, and its
business experienced some cash flow challenges. So
the decision was made to not pay the monitoring fees
during the year for 2021.

And then at the end of 2021, when we were
looking at 2022, the decision was made not to pay
the monitoring fees in 2022. And so on the books of
Platinum Equity Advisors, the decision was made not
to accrue any fee for 2021.

Nov. 17, 2023 Mary Ann Sigler Deposition Tr. at 91:5-92:10