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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN ORDER (I) APPROVING THE AMENDED DISCLOSURE STATEMENT, (II) APPROVING RE-SOLICITATION OF CLASSES 4 AND 6 AND RELATED VOTING PROCEDURES, (III) APPROVING FORMS OF MODIFIED BALLOTS, (IV) SCHEDULING A CONFIRMATION HEARING, (V) ESTABLISHING NOTICE AND OBJECTION PROCEDURES, AND (VI) SHORTENING THE NOTICE AND OBJECTION PERIODS IN CONNECTION WITH THE FOREGOING

Emergency relief has been requested. Relief is requested not later than 9:00 a.m. (Central Time) on September 5, 2024.

[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 https://www.veritaglobal.net/incora. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on September 5, 2024 at 9:00 a.m. (Central Time) in Courtroom 404, 4th Floor, 515 Rusk, Houston, Texas 77002. Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at 1 (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Isgur's conference room number is 954554. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Isgur's home page at https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-marvin-isgur. The meeting code is "JudgeIsgur" (one word). Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of either an electronic or an in-person appearance. To make your appearance, click the "Electronic Appearance" link on Judge Isgur's home page at https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-marvin-isgur. Select the case name, complete the required fields and click "Submit" to complete your appearance.

This motion refers to a plan of reorganization (the "*Modified Second Amended Plan*") and a disclosure statement (the "*Amended Disclosure Statement*") that have been proposed by the Debtors in these Chapter 11 Cases. The proposed Modified Second Amended Plan and Amended Disclosure Statement, as well as other pleadings, may be obtained free of charge by visiting the website of the Debtors' information agent (Verita Global) at https://veritaglobal.net/incora/ or by contacting Verita Global at 1 (877) 499-4509 (U.S./Canada) or +1 (917) 281-4800 (international).

The above-captioned debtors and debtors in possession (the "***Debtors***")[2] respectfully state as follows.

[2] A detailed description of the Debtors and their businesses is set forth in the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions* [Docket. No. 13] (the "***First Day Declaration***"), filed with the Debtors' voluntary petitions for relief filed under title 11 of the United States Code (the "***Bankruptcy Code***"), on June 1, 2023 (the "***Petition Date***"). The Debtors are operating their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. An official committee of unsecured creditors was appointed on June 16, 2023; no trustee, examiner or other official committee has been appointed.

RELIEF REQUESTED

1. By this motion (the "***Motion***"),[3] the Debtors seek entry of an order attached hereto (the "***Proposed Order***") approving the following:

a. *Adequacy of Information in the Amended Disclosure Statement*.[4] The proposed Amended Disclosure Statement, as containing "adequate information" for the purposes of section 1125 of the Bankruptcy Code.

b. *Notice*. Notice of the hearing regarding the adequacy of the proposed Amended Disclosure Statement (the "***Disclosure Statement Hearing***").

c. *Solicitation and Voting Procedures*. Procedures substantially in the form attached to the Disclosure Statement Order as **Exhibit 1** for: (i) soliciting, receiving, and tabulating votes to accept or reject the Modified Second Amended Plan (as defined herein); (ii) voting to accept or reject the Modified Second Amended Plan; (iii) opting out of the Third-Party Release, and (iv) filing objections to the Modified Second Amended Plan (the "***Solicitation and Voting Procedures***");

d. *Ballots*. The modified forms of ballots (the "***Modified Ballots***") attached to the Disclosure Statement Order as **Exhibit 2A** (form of Master Ballot for Notes Claims) **Exhibit 2B** (form of Beneficial Holder Ballot for Notes Claims), and **Exhibit 2C** (form of Record Holder Ballot for 1L Notes Claims).

e. *Re-Solicitation Packages*. The forms of documents to be delivered to holders of Claims in Classes 4 and 6 (the "***Re-Solicitation Packages***") in compliance with Bankruptcy Rules 3017(d) and 2002(b).

f. *Amended Confirmation Hearing Notice*. The form and manner of notice (the "***Amended Confirmation Hearing Notice***") of the hearing to consider Confirmation of the Modified Second Amended Plan (the "***Confirmation Hearing***"), substantially in the form attached to the Disclosure Statement Order as **Exhibit 3**.

g. *Confirmation Timeline*. Establishing the following dates and deadlines, consistent with the Court's direction at the confirmation status

[3] Capitalized terms used but not defined in this Motion shall have the meanings ascribed to them in the *Modified First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Plan***") [Docket No. 1223] or *Disclosure Statement for the Modified First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Disclosure Statement***") [Docket No. 1224], as applicable.

[4] *See Amended Disclosure Statement for the Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al* (the "***Amended Disclosure Statement***") [Docket No. 2029].

conference on August 13, 2024 (the "***Status Conference***") and subject to modification as necessary:

Event	Date and Time
Filing of: • Modified Second Amended Plan; • Amended Disclosure Statement; • Re-Solicitation Motion; • Appellate Adjustment Mechanic	August 23, 2024
Voting Record Date	September 3, 2024
Proposed Deadline for Filing Objections to Re-Solicitation Motion and to Approval of the Amended Disclosure Statement	September 4, 2024 at 5:00 p.m. (CT)
Disclosure Statement Approval Hearing	September 5, 2024 at 9:00 a.m. (CT)
Deadline for Commencement of Solicitation	September 10, 2024
Deadline to File: • Objections to Confirmation of the Modified Second Amended Plan;[5] • Post Updated Post-Trial Closing Briefs for Outstanding Issues in Connection with the 2024/2026 Noteholder Group's Amended Counterclaims	September 13, 2024 at 5:00 p.m. (CT)
Voting Deadline	September 27, 2024 at 5:00 p.m. (CT)
Voting Report	October 3, 2024
Deadline for Replies to Objections to the Modified Second Amended Plan[6]	October 3, 2024
Confirmation Hearing[7]	October 7, 2024 at 9:00 a.m. (CT)

2. The principal statutory bases for the relief sought in this Motion are sections 105, 365, 1125, 1126, and 1128 of title 11 of the Bankruptcy Code, Bankruptcy Rules 2002, 3016, 3017,

[5] Including objections to the release of all claims set forth in the 2024/2026 Noteholder Group's Standing Motion.

[6] Including replies and objections to the 2024/2026 Noteholder Group's Standing Motion (including Avoidance Actions).

[7] For the avoidance of doubt, all pending standing motions, counterclaims of the 2024/2026 Noteholder Group, and all unresolved motions seeking adequate protection shall be heard at the Confirmation Hearing.

3018, and 3020, and Rules 2002-1, 3016-1, and 3016-2 of the Bankruptcy Local Rules of the U.S. Bankruptcy Court for the Southern District of Texas (the "***Local Rules***").

JURISDICTION AND VENUE

3. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This Motion is a core proceeding under 28 U.S.C. § 157(b). Venue in the Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

MODIFIED SECOND AMENDED PLAN SUMMARY[8]

4. The Modified Second Amended Plan classifies Claims and Interest into the following Classes, pursuant to section 1126 of the Bankruptcy Code:

Class	Claims or Interests	Impairment	Voting Rights
1	*Priority Non-Tax Claims:* Claims entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than Administrative Expenses (including DIP Financing Claims), and Priority Tax Claims.	Unimpaired	Presumed to accept
2	*Other Secured Claims:* Secured Claims, other than a Priority Tax Claim (except as set forth in Article II.F of the Plan), a DIP Financing Claim, an ABL Facility Claim, a 1L Notes Claim, or a 2026 Notes Claim. For the avoidance of doubt, no 1.25L Notes Claim, 2024 Unsecured Notes Claim, 2027 Unsecured Notes Claim, or PIK Notes Claim is an "Other Secured Claim."	Unimpaired	Presumed to accept
3	*ABL Facility Claims:* Claims arising on account of the "Obligations," as defined in the ABL Credit Agreement.	Unimpaired	Presumed to accept
4	*1L Notes Claims:* Claims arising on account of the "Obligations" under the "Note Documents," each as defined in the 1L Indenture.	Impaired	**Entitled to vote**
5	*1.25L Notes Claims:* Claims arising on account of the "Obligations" under the "Note Documents," each as defined in the 1.25L Indenture.	Impaired	Deemed to reject

[8] This summary is qualified in its entirety by reference to the Modified Second Amended Plan.

Class	Claims or Interests	Impairment	Voting Rights
6	*2026 Notes Claims:* Claims arising on account of, derived from, based upon or arising under the 2026 Indenture or related documents.	Impaired	**Entitled to vote**
7a	*General Unsecured Claims:* Claims, other than: Administrative Expenses, Other Secured Claims, Priority Tax Claims, Priority Non-Tax Claims, ABL Facility Claims, 1L Notes Claims, 2026 Notes Claims, 1.25L Notes Claims, PIK Notes Claims, General Unsecured Convenience Claims, 2024 Unsecured Notes Claims, and Intercompany Claims. For the avoidance of doubt, every 2027 Unsecured Notes Claim is a General Unsecured Claim.	Impaired	Previously voted
7b	*General Unsecured Convenience Claims:* Claims that are Allowed in an amount of $1,500,000 or less, that are not: Administrative Expenses, Other Secured Claims, Priority Tax Claims, Priority Non-Tax Claims, ABL Facility Claims, 1L Notes Claims, 1.25L Notes Claims, 2024 Unsecured Notes Claims, 2026 Unsecured Notes Claims, 2027 Unsecured Notes Claims, PIK Notes Claims, and Intercompany Claims. The Allowed amount of all Claims held by a holder and its Affiliates shall be aggregated for purposes of the foregoing calculation. Holders of Claims that are Allowed in an amount in excess of $1,500,000 that otherwise meet the foregoing criteria may opt into treatment as a General Unsecured Convenience Claim by making a ballot election to waive any Allowed amounts that are in excess of the $1,500,000 threshold.	Impaired	Previously voted
7c	*2024 Unsecured Notes Claims*: Claims arising on account of, derived from, based upon or arising under the 2024 Unsecured Indenture or related documents.	Impaired	Previously voted
8	*PIK Notes Claims:* Claims against Wolverine Intermediate Holding Corporation arising on account of the PIK Notes or the PIK Notes Indenture or other related documents.	Impaired	Deemed to reject
9	*Intercompany Claims:* Claims against a Debtor held by any other Debtor.	Impaired/ Unimpaired	Deemed to reject/ presumed to accept
10	*Existing Equity Interests:* Interests other than Intercompany Interests.	Impaired	Deemed to reject
11	*Intercompany Interests:* Interests in any Debtor held by another Debtor.	Unimpaired	Presumed to accept

5. The Modified Second Amended Plan includes consensual releases by the Debtors (the "***Debtor Release***") and by certain third parties (the "***Third-Party Release***"), as well as an exculpation provision, all of which release or limit the liabilities of the Debtors, the Reorganized

Debtors and certain other parties who played an integral role in the Debtors' reorganization from liability (or limit their liability) on certain claims and causes of action. Consistent with the procedures described in this Motion, Classes 4 and 6 will be given an opportunity to opt out of the Third-Party Release on a Ballot. As described below, and as will be further developed on the record at the Confirmation Hearing, these provisions are an integral part and essential elements of the Modified Second Amended Plan and the settlements underlying the Debtors' restructuring.

6. Further, in accordance with the Court's oral ruling in the Adversary Proceeding issued on July 10, 2024 (the "***Court's Ruling***"), whereby the Court determined that the rights, liens, and interests of the 2026 Noteholders remained intact following the 2022 Financing, amendments have been made to the Plan with respect to Class 4 (1L Notes Claims) and the newly created Class 6 claims (2026 Notes Claims). As a result of the Court's Ruling, the 2026 Notes Claims—originally treated as General Unsecured Claims under the Plan—are presently classified separately as Secured Claims, *pari passu* with the Secured portion of the 1L Notes Claims. Further, 2024 Unsecured Notes Claims (Class 7c) will receive ratable treatment in the event they are determined, in connection with an appeal of the Court's Ruling, to be secured.

7. The Court's Ruling necessitated such amendments to the Plan to reflect the adjustment of distributions to the holders of 1L Notes Claims and 2026 Notes Claims and preserve the appellate rights of the parties to the Adversary Proceeding. Accordingly, on August 23, 2024, the Debtors filed the *Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Modified Second Amended Plan***"). Under the Modified Second Amended Plan, the portions of 1L Notes Claims and 2026 Notes Claims that are secured under the Court's Ruling will receive ratable consideration, subject to further adjustment in light of any appellate process. Furthermore, holders of General Unsecured Claims, 2024 Unsecured Notes Claims, and General Unsecured Convenience Claims will receive consideration that is economically equivalent or potentially superior to the consideration given to them under the Plan that they previously casted votes on. Thus, the only two groups of claimholders affected by amendments reflected in the Modified Second Amended Plan are the holders of the 1L Notes Claims (Class 4) and 2026 Notes

Claims (Class 6). A blackline of the Amended Disclosure Statement against the Disclosure Statement is attached hereto as **Exhibit 1**.

8. In addition, attached hereto as **Exhibit 2** is a proposed LLC Agreement for Reorganized Incora from the First Lien Noteholder Group. The Debtors, the First Lien Noteholder Group, and the 2024/2026 Noteholder Group remain in discussion concerning the form of LLC Agreement and the form attached hereto does not reflect the Appellate Adjustment Mechanism. The Debtors have not yet received a proposed form of LLC Agreement from the 2024/2026 Noteholder Group, but will endeavor to file such form prior to the Disclosure Statement Hearing, if received. The Debtors are separately filing the draft Appellate Adjustment Mechanism as part of the Plan Supplement contemporaneously herewith.

9. All other material terms of the Modified Second Amended Plan and Amended Disclosure Statement, including the treatment of all Classes other than Classes 4 and 6, remain the same as originally outlined in the Plan and Disclosure Statement. Some additional, minor, and technical revisions to the Plan would not have required any of the relief sought herein. *See* Fed. R. Bankr. P. 3019(a) ("If the court finds . . . that the proposed modification does not adversely change the treatment of the claim of any creditor . . . , [the modified plan] shall be deemed accepted by all creditors and equity security holders who have previously accepted the plan."). Accordingly, the Debtors have decided to re-solicit the votes of 1L Notes (Class 4) and 2026 Notes (Class 6) (together, the "***Re-Solicitation Classes***"), but not holders of Claims and Interests in other Classes (collectively, the "***Unaffected Classes***").[9] The Debtors propose that all solicitation, voting, and tabulation procedures for Unaffected Classes, as previously approved by the Court, remain in full force and effect.[10]

[9] The Unaffected Classes include: Class 1 (Priority Non-Tax Claims), Class 2 (Other Secured Claims), Class 3 (ABL Facility Claims), Class 5 (1.25L Notes Claims), Class 7a (General Unsecured Claims), and Class 7b (General Unsecured Convenience Claims), Class 7c (2024 Unsecured Notes Claims), Class 8 (PIK Notes Claims), Class 9 (Intercompany Claims), Class 10 (Existing Equity Interests), or Class 11 (Intercompany Interests).

[10] *See Order (I) Approving the Disclosure Statement, (II) Approving Solicitation and Voting Procedures, (III) Approving Forms of Ballots, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Procedures* [Docket No. 1228].

BASIS FOR RELIEF

I. THE AMENDED DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION AND SHOULD BE APPROVED

A. The Adequate Information Standard Under Section 1125 of the Bankruptcy Code.

10. Section 1125(b) of the Bankruptcy Code requires the plan proponent to provide holders of impaired claims and interests entitled to vote with "adequate information" regarding the proposed plan. Section 1125(a)(1) of the Bankruptcy Code provides that:

> "[A]dequate information" means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records . . . that would enable . . . a hypothetical investor of the relevant class to make an informed judgment about the plan.

11 U.S.C. § 1125(a)(1). The primary purpose of a disclosure statement is to provide all material information that creditors and interest holders affected by a proposed plan need to make an informed decision regarding whether or not to vote for the plan. *See, e.g.*, *Century Glove, Inc. v. First Am. Bank of N.Y.*, 860 F.2d 94, 100 (3d Cir. 1988) ("[Section] 1125 seeks to guarantee a minimum amount of information to the creditor asked for its vote."); *Prudential Ins. Co. of Am. v. Monnier* (*In re Monnier Bros.*), 755 F.2d 1336, 1342 (8th Cir. 1985) ("The primary purpose of a disclosure statement is to give the creditors the information they need to decide whether to accept the plan." (citing 11 U.S.C. § 1125)); *In re Phoenix Petrol. Co.*, 278 B.R. 385, 392 (Bankr. E.D. Pa. 2001) ("[T]he general purpose of the disclosure statement is to provide 'adequate information' to enable 'impaired' classes of creditors and interest holders to make an informed judgment about the proposed plan and determine whether to vote in favor of or against that plan." (citing *Century Glove, Inc. v. First Am. Bank of N.Y.*, 860 F.2d 94, 100 (3d Cir. 1988))); *In re Unichem Corp.*, 72 B.R. 95, 97 (Bankr. N.D. Ill. 1987) ("The primary purpose of a disclosure statement is to provide all material information which creditors and equity security holders affected by the plan need in order to make an intelligent decision whether to vote for or against the plan." (citing *In re Ligon*, 50 B.R. 127, 130 (M.D. Tenn. 1985)). Congress intended that such informed judgments would be

needed to both negotiate the terms of, and vote on, a plan of reorganization. *Century Glove, Inc.*, 860 F.2d at 100.

11. "Adequate information" is a flexible standard, based on the facts and circumstances of each case. *See Oneida Motor Freight, Inc. v. United Jersey Bank*, 848 F.2d 414, 417 (3d Cir. 1988) ("From the legislative history of § 1125 we discern that adequate information will be determined by the facts and circumstances of each case."); *see also First Am. Bank of N.Y. v. Century Glove, Inc.*, 81 B.R. 274, 279 (D. Del. 1988) (noting that adequacy of disclosure for a particular debtor will be determined based on how much information is available from outside sources); S. Rep. No. 95-989, at 121 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5787, 5907 ("the information required will necessarily be governed by the circumstances of the case").

12. Courts in the Fifth Circuit acknowledge that a determination of "adequate information" under section 1125 resides within the broad discretion of the bankruptcy court. *See, e.g.*, *Mabey v. Sw. Elec. Power Co.* (*In re Cajun Elec. Power Coop., Inc.*), 150 F.3d 503, 518 (5th Cir. 1998) ("The legislative history of § 1125 indicates that, in determining what constitutes 'adequate information' with respect to a particular disclosure statement, 'both the kind and form of information are left essentially to the judicial discretion of the court' and that 'the information required will necessarily be governed by the circumstances of the case.'") (internal citations omitted); *In re Tex. Extrusion Corp.*, 844 F.2d at 1157 ("The determination of what is adequate information is subjective and made on a case by case basis. This determination is largely within the discretion of the bankruptcy court."). Accordingly, this determination must be made on a case-by-case basis, focusing on the unique facts and circumstances of each case. *See Phx. Petrol. Co.*, 278 B.R. at 393.

13. In making the determination of what constitutes adequate information for the purposes of section 1125, courts typically examine whether a disclosure statement contains the following information:

a. the circumstances that gave rise to the filing of the bankruptcy petition;
b. the available assets and their value;
c. the anticipated future of the debtor;

d. the sources of the information provided in the disclosure statement;

e. the condition and performance of the debtor while in chapter 11;

f. the claims against the estate;

g. a liquidation analysis setting forth the estimated return that creditors would receive under chapter 7;

h. the accounting and valuation methods used to produce the financial information in the disclosure statement;

i. the future management of the debtor, including the amount of compensation to be paid to any insiders, directors, and/or officers of the debtor;

j. a summary of the plan of reorganization;

k. financial information that would be relevant to creditors' determinations of whether to accept or reject the plan;

l. the risks being taken by the creditors and interest holders;

m. the tax consequences of the plan; and

n. the relationship of the debtor with its affiliates.

See In re U.S. Brass Corp., 194 B.R. 420, 424–25 (Bankr. E.D. Tex. 1996); *see also In re Scioto Valley Mortg. Co.*, 88 B.R. 168, 170–171 (Bankr. S.D. Ohio 1988) (listing factors courts have considered in reviewing adequacy of information); *In re Metrocraft Pub. Servs., Inc.*, 39 B.R. 567, 568 (Bankr. N.D. Ga. 1984) (same). This list is not meant to be exhaustive, nor must every disclosure statement include all of the foregoing information. *See In re U.S. Brass Corp.*, 194 B.R. at 424; *see also Phoenix Petroleum*, 278 B.R. at 393 (cautioning that "no one list of categories will apply in every case"); *In re Dakota Rail, Inc.*, 104 B.R. 138, 142 (Bankr. D. Minn. 1989) (describing a similar list as "nonexclusive and nonexhaustive"). Thus, a bankruptcy court may decide what information is appropriate in each case.

B. The Amended Disclosure Statement Contains Adequate Information.

14. The Debtors respectfully submit that the Amended Disclosure Statement addresses each of the salient types of information identified above, maintains substantially all of the same information as previously approved by the Court in the Disclosure Statement, and provides Classes

4 and 6 with sufficient information to make an informed voting decision. Specifically, the Amended Disclosure Statement contains the following:

a. a description of the Debtors' prepetition business, organizational structure, equity and capital structures (*see* Disc. Stmt., § II);

b. the history of the Debtors' businesses, including the events leading to the commencement of the Chapter 11 Cases (*see* Disc. Stmt., § II);

c. material developments and anticipated events in the Chapter 11 Cases (*see* Disc. Stmt., § III);

d. a summary of the Modified Second Amended Plan, including plain English descriptions of the proposed treatment of claims in each Class (*see* Disc. Stmt., § IV);

e. a description of the procedures for soliciting votes to accept or reject the Modified Second Amended Plan and voting on the Modified Second Amended Plan (*see* Disc. Stmt., § V);

f. an overview of confirmation procedures and statutory requirements for confirmation and consummation of the Modified Second Amended Plan (*see* Disc. Stmt., § VI);

g. a discussion of the material federal tax consequences of the Modified Second Amended Plan to the Reorganized Debtors and to investors typical of the holders of various claims (*see* Disc. Stmt., § VII); and

h. certain securities law considerations and risk factors to be considered in determining whether to vote to accept the Modified Second Amended Plan (*see* Disc. Stmt., §§ VIII, IX);

i. an analysis of alternatives to the Modified Second Amended Plan, including a liquidation analysis (*see* Disc. Stmt., § X; an updated analysis to be filed prior to the Disclosure Statement Hearing).

15. Accordingly, the Debtors submit that the Amended Disclosure Statement contains adequate information within the meaning of section 1125 of the Bankruptcy Code and applicable case law and should be approved.

C. The Amended Disclosure Statement Provides Sufficient Notice of Injunction, Release, and Exculpation Provisions in the Modified Second Amended Plan.

16. Bankruptcy Rule 3017(a) requires parties to receive not less than 28 days' notice of the Disclosure Statement Hearing. Fed. R. Bankr. P. 3017(a); *see also* Fed. R. Bankr. P. 2002(b) (requiring not less than 28 days' notice of the hearing to consider the approval of a disclosure statement and of the deadline to object to the adequacy of a disclosure statement). Further,

Bankruptcy Rule 2002(a) requires at least twenty-one (21) days' notice by mail to all creditors and indenture trustees of the time fixed to accept or reject a proposed modification of a plan. Fed. R. Bankr. P. 2002(a)(5). Notwithstanding these notice requirements, Bankruptcy Rule 9006(c)(1) allows a court, in its discretion, to shorten time periods set by the Bankruptcy Rules "for cause shown." Fed. R. Bankr. P. 9006(c)(1).

17. Here, cause exists to shorten the notice period because the noteholders holding 1L Notes and 2026 Notes are sophisticated investors who have participated throughout the Chapter 11 Cases. As such, those noteholders are well aware of the issues involved in the Modified Second Amended Plan and the necessity to amend the Plan in accordance with the Court's Ruling. Furthermore, at the Status Conference, counsel for ad hoc groups of noteholders in both proposed Voting Classes emphasized their support for a quick process to emerge from bankruptcy and did not object to the Court's proposed timing for the plan process. Aug. 13, 2024 Hrg. Tr. at 39: 7-8, 15-23. Accordingly, the Debtors request that the Court approve this notice as appropriate and in compliance with the requirements of the Bankruptcy Rules and Local Rules.

18. Along with this Motion, the Debtors are filing with the Court, and serving on all known holders of Claims or Interests, notice of the Disclosure Statement Hearing (the "***Disclosure Statement Hearing Notice***") which identifies (a) the date, time, and place of the Disclosure Statement Hearing, (b) how to obtain a copy of this Motion and related pleadings, including the proposed Modified Second Amended Plan and Amended Disclosure Statement, and (c) the deadline and procedures for filing objections to the Amended Disclosure Statement.

19. Bankruptcy Rule 3016(c) requires that, if a plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code, the plan and disclosure statement must describe, in specific and conspicuous language, the acts to be enjoined and the entities subject to the injunction. Fed. R. Bankr. P. 3016(c). Similarly, Bankruptcy Rule 2002(c) requires that notice must be provided of the time fixed for filing objections and the hearing to consider confirmation of the chapter 11 plan. Fed. R. Bankr. P. 2002(c).

20. Article VIII of the Modified Second Amended Plan and Section IV.H of the Amended Disclosure Statement describe in detail (a) the entities subject to or providing a release under the Modified Second Amended Plan, (b) the Causes of Action released, (c) the entities entitled to exculpation under the Modified Second Amended Plan, and (d) the entities subject to and covered by a permanent injunction. The relevant language in these articles is in bold typeface, making it conspicuous to anyone who sees it. The Amended Confirmation Hearing Notice also states in clear and bolded text that the Modified Second Amended Plan contains release, exculpation, and injunction provisions, including the Third-Party Releases. Likewise, the Modified Ballots and the introductory pages of the Amended Disclosure Statement itself each conspicuously alert the relevant holders of Claims and Interests to the Third-Party Releases and the opportunity to opt out.

21. Accordingly, the Debtors respectfully submit that the Amended Disclosure Statement complies with Bankruptcy Rule 3016(c) by conspicuously describing the conduct and parties enjoined, released, or exculpated by the Modified Second Amended Plan, and the Amended Confirmation Hearing Notice complies with Bankruptcy Rule 2002(c) by conspicuously describing the nature and entities subject to the injunction under the Modified Second Amended Plan.

II. THE COURT SHOULD APPROVE THE RE-SOLICITATION AND VOTING PROCEDURES, THE MODIFIED BALLOTS, THE TIMELINE, AND THE FORMS OF NOTICES RELATED TO RE-SOLICITATION AND CONFIRMATION OF THE MODIFIED SECOND AMENDED PLAN

A. The Court Should Approve the Re-Solicitation and Voting Procedures.

22. Section 1126(c) of the Bankruptcy Code provides that:

> A class of claims has accepted a plan if such plan has been accepted by creditors, other than any entity designated under section (e) of this section, that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors, other than any entity designed under subsection (e) of this section, that have accepted or rejected the plan.

11 U.S.C. § 1126(c).

23. The proposed Re-Solicitation and Voting Procedures set forth specific criteria for the voting and tabulation of Modified Ballots. The Debtors believe that the proposed Re-Solicitation and Voting Procedures will facilitate the Modified Second Amended Plan confirmation process. Specifically, the procedures will clarify any obligations of holders of Claims entitled to vote to accept or reject the Modified Second Amended Plan and will create a straightforward process by which the Debtors can determine whether they have satisfied the numerosity requirements of section 1126(c) of the Bankruptcy Code.

24. The Debtors also respectfully request that the Court determine that the proposed Re-Solicitation Package satisfies section 1127 of the Bankruptcy Code. Pursuant to section 1127(c) of the Bankruptcy Code, "[t]he proponent of a modification shall comply with section 1125 of this title with respect to the plan as modified." 11 U.S.C. § 1127(c). This requirement to comply with section 1125 of the Bankruptcy Code, however, does not necessarily mandate wholesale re-solicitation of a plan. A modified plan must provide a new disclosure statement and resolicit votes "only when and to the extent that the debtor intends to solicit votes from previously dissenting creditors or when the modification materially and adversely impacts parties who previously voted for the plan." *See In re Cypresswood Land Partners, I*, 409 B.R. 396, 440 (Bankr. S.D. Tex. 2009) (quoting *In re Am. Solar King Corp.*, 90 B.R. 808, 823 (Bankr. W.D. Tex. 1988)).

25. Bankruptcy Rule 3019 explains when it is necessary to resolicit parties who have previously voted on the plan. If the modified plan "does not adversely change" a claimant's treatment, then Bankruptcy Rule 3019 permits the court to attribute prior acceptances to an amended plan. *In re Am. Solar King Corp.*, 90 B.R. at 825. If a modification does not "materially" impact a claimant's treatment, the change is not adverse and the court may deem that prior acceptances apply to the amended plan as well. *Id*. at 826.

26. Here, the Modified Second Amended Plan modifies the economic treatment of Claims only in Classes 4, 6, and 7c. The economic treatment of Class 7c (2024 Unsecured Notes Claims) may *improve*, subject to the outcome of the Adversary Proceeding; the First Amended Plan treated these Claims as General Unsecured Claims, while the new Modified Second Amended

Plan allows them to share in secured recoveries if their holders succeed in establishing secured status on appeal. The Modified Second Amended Plan neither materially nor adversely affects the treatment of creditors holding Claims in the Unaffected Classes. *See In re Am. Solar King Corp.*, 90 B.R. at 824 ("A modification is material if it so affects a creditor or interest holder who accepted the plan that such entity, if it knew of the modification, would be likely to reconsider its acceptance.") (quoting 8 Collier on Bankruptcy ¶ 3019.01 (15th ed. 1987)). In particular, the equity distributions to holders of General Unsecured Claims have been reduced in direct proportion to the reduction in the estimated amount of Claims in that Class, resulting from the removal of 2026 Notes Claims and 2024 Unsecured Notes Claims from that Class. Thus, parties in interest in the Unaffected Classes are not entitled to re-solicitation. Additionally, Classes 4 and 6 have already received voluminous solicitation packages distributed in connection with the Plan, and the proposed Re-Solicitation Package is appropriately tailored, streamlined, and limited so as to conserve estate resources while conveying necessary disclosures in respect of the Modified Second Amended Plan. The Debtors submit that the Re-Solicitation and Voting Procedures are in the best interests of their estates, holders of Claims, and other parties in interest, and that good cause supports the relief requested herein. Accordingly, the Debtors believe that re-solicitation of Classes 4 and 6 is warranted, that re-solicitation of the Unaffected Classes is not required as a result of the Modified Second Amended Plan, and that the proposed Re-Solicitation Package to be sent to Classes 4 and 6 should be approved.

27. The Debtors respectfully request that Kurtzman Carson Consultants LLC d/b/a Verita Global, in its capacity as solicitation agent for the Debtors (the "***Solicitation Agent***"), be authorized (to the extent not authorized by another order of the Court) to assist the Debtors in: (a) distributing the Re-Solicitation Packages; (b) receiving, tabulating, and reporting on the Modified Ballots cast to accept or reject the Modified Second Amended Plan; (c) responding to inquiries from holders of Claims and Interests and other parties in interest relating to the Amended Disclosure Statement, the Modified Second Amended Plan, the Modified Ballots, the Re-Solicitation Packages, and all other documents and matters related thereto, including the

procedures and requirements for voting to accept or reject the Modified Second Amended Plan and for objecting to the Modified Second Amended Plan; (d) soliciting votes on the Modified Second Amended Plan; and (e) if necessary, contacting creditors regarding the Modified Second Amended Plan.

28. Bankruptcy Rule 3018(c) provides, in part, that "[a]n acceptance or rejection [of a plan] shall be in writing, identify the plan or plans accepted or rejected, be signed by the creditor or equity security holder or an authorized agent and conform to the appropriate Official Form." Fed. R. Bankr. P. 3018(c).

29. Consistent with these requirements, the Debtors propose to use the Re-Solicitation and Voting Procedures to facilitate the process of tabulating all votes received. To ease and clarify the process of tabulating votes, the Debtors propose that a Modified Ballot be counted in determining the acceptance or rejection of the Modified Second Amended Plan only if it satisfies certain criteria. Specifically, the Solicitation Agent will not count a Modified Ballot if, among other things, it is illegible or not clearly marked, it is submitted by a holder of a Claim that is not entitled to vote on the Modified Second Amended Plan, or it is unsigned. The Debtors may, subject to a contrary order of the Court and with notice to the Committee and the First Lien Noteholder Group, waive any defects or irregularities as to any particular Modified Ballot or waive the Voting Deadline as to any particular Modified Ballot at any time, either before or after the close of voting, and will disclose any such waivers in the Voting Report.

B. The Court Should Approve the Forms of the Modified Ballots.

30. In accordance with Bankruptcy Rule 3018(c), the Debtors have prepared Modified Ballots. Although based on Official Form No. 314, the Modified Ballots have been customized to address the particular circumstances of the Chapter 11 Cases and include certain additional information that is relevant and appropriate. The Modified Ballots are substantially similar to the Ballots previously approved by this Court, with technical modifications to account for new deadlines and other immaterial revisions. The Modified Ballots also clarify that Beneficial Holder Ballots will be delivered, or Nominees will be required to provide information about the Beneficial

Holders submitting votes on the Modified Second Amended Plan, to the Debtors upon request. In consideration of the foregoing, the Modified Ballots are in full compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and all applicable nonbankruptcy laws, rules, and regulations. Accordingly, the Debtors respectfully request that this Court approve the Modified Ballots.

31. As part of the Re-Solicitation Package, the Debtors propose to distribute Modified Ballots, substantially in the forms attached to the Disclosure Statement Order as **Exhibits 2A–2C,** to Classes 4 and 6.

C. The Court Should Approve the Form and Distribution of the Re-Solicitation Packages to Classes 4 and 6.

32. Bankruptcy Rule 3017(d) specifies the materials to be distributed to holders of claims and interests upon approval of a disclosure statement, including the court-approved plan and disclosure statement and notice of the time within which acceptances and rejections of the plan may be filed. Fed. R. Bankr. P. 3017(d). In accordance with this requirement, on or before the Solicitation Deadline, the Debtors will cause the Solicitation Agent to distribute the Re-Solicitation Packages by first-class U.S. mail to Classes 4 and 6 (or their Nominees, as applicable).

33. Each Re-Solicitation Package will include the following materials:

a. the Modified Second Amended Plan, including a redline against the Plan;

b. a copy of the Solicitation and Voting Procedures;

c. the Amended Confirmation Hearing Notice;

d. the approved Amended Disclosure Statement (and its exhibits);

e. the Disclosure Statement Order (excluding exhibits);

f. a Modified Ballot (or Master Ballot, as applicable), with detailed voting instructions on how to complete the Modified Ballot;[11] and

g. such other materials as the Court may direct to include in the Re-Solicitation Package.

[11] Service of the Re-Solicitation Package to the Beneficial Holders of the 1L Notes Claims (Class 4) and 2026 Notes Claims (Class 6) may be performed electronically, or otherwise in their Nominees' customary practice.

34. The Debtors request authorization to distribute the Modified Second Amended Plan, the Amended Disclosure Statement (including its exhibits), the Disclosure Statement Order, the Modified Ballot, and the Amended Confirmation Hearing Notice to Classes 4 and 6 in electronic medium (for instance on a flash drive). Electronic distribution of the more voluminous documents will save money for the Debtors' estates, while still providing all parties with the relevant information.

35. In addition to accepting hard copy Ballots via first class mail, overnight courier, and personal delivery to Incora Ballot Processing Center, c/o Verita Global, 222 N. Pacific Coast Hwy., Ste. 300, El Segundo, CA 90245, the Debtors request authorization for the Solicitation Agent to accept Master Ballots from Nominees via email to IncoraBallots@veritaglobal.com. The Debtors request that Ballots will be deemed delivered only when the Solicitation Agent actually receives a properly executed Ballot, whether through the online portal, email, or on paper, as applicable.

36. In many instances, certain brokerage firms and banks or their agents (collectively, the "***Nominees***") hold Notes Claims against Debtors in "street name" on behalf of their beneficial owners (the "***Beneficial Holders***"). To ensure proper tabulation of votes for such Claims, the Solicitation Agent will deliver Re-Solicitation Packages to the holders of record as of the Voting Record Date, including Nominees, with instructions to forward same to their respective Beneficial Holder clients. Additionally, the Nominees will also receive Master Ballots. The Beneficial Holder Ballots will instruct each Beneficial Holder voting on the Modified Second Amended Plan through a Nominee to return its Beneficial Holder Ballot to such Nominee in sufficient time for the Nominee to timely cast votes to accept or reject the Modified Second Amended Plan on behalf of its Beneficial Holders. A Nominee shall obtain votes and other elections from the Beneficial Holders in one of the following two ways:

a. *Pre-Validated Ballots.* The Nominee may "pre-validate" a Beneficial Holder Ballot by (a) signing the Beneficial Holder Ballot; (b) indicating on the Beneficial Holder Ballot the amount and the account number of the Claims held by the Nominee for the particular Beneficial Holder; and (c) forwarding the Beneficial Ballot, together with the Amended Disclosure Statement, a postage-paid return envelope pre-addressed to the Solicitation Agent, and other materials requested to be forwarded, to the Beneficial Holder for voting.

The Beneficial Holder must then complete the information requested in the Beneficial Ballot and return the Beneficial Ballot directly to the Solicitation Agent in the pre-addressed, postage-paid return envelope so that it is received by the Solicitation Agent on or before the Voting Deadline. A list of the Beneficial Holders to whom "pre-validated" Beneficial Ballots were delivered should be maintained by Nominees for inspection for at least one year from the Voting Deadline.

b. *Master Ballots.* The Nominee may obtain the votes of Beneficial Holders by forwarding to each Beneficial Holder an unsigned Beneficial Holder Ballot through mail, VIF, email, or any other reliable and customary method of collecting votes from a Beneficial Holder, together with the Disclosure Statement, a postage-paid return envelope addressed to the Nominee (in the case of a physical mailing), and other materials requested to be forwarded. Each such Beneficial Holder must then indicate its vote and other elections on the Beneficial Holder Ballot, complete the information requested on the Beneficial Holder Ballot, review the certifications contained on the Beneficial Holder Ballot, execute the Beneficial Holder Ballot, and return the Beneficial Holder Ballot to the Nominee. If it is accepted practice for a Nominee to collect votes through a VIF, email, or other method, the Beneficial Holder shall follow the Nominee's instruction for completing and submitting its votes to the Nominee. After collecting the Beneficial Holders' votes, the Nominee should, in turn, complete a Master Ballot compiling the votes and other information from the Beneficial Holders, execute the Master Ballot, and deliver the Master Ballot to the Solicitation Agent so that it is received by the Solicitation Agent at or before the Voting Deadline. All Beneficial Ballots returned by Beneficial Holders should either be forwarded to the Solicitation Agent along with the Master Ballot or retained by the Nominee for inspection for at least one year from the Voting Deadline. Each Nominee should advise its Beneficial Holders to return their Beneficial Ballots to the Nominee by a date and time calculated by the Nominee to allow it to prepare and return the Master Ballot to the Solicitation Agent so that the Master Ballot is received by the Solicitation Agent on or before the Voting Deadline.

37. The Debtors will also send complete Re-Solicitation Packages (excluding the Modified Ballots) to the U.S. Trustee and all parties required to be notified under Rule 2002 of the Bankruptcy Rules and Rule 2002-1 of the Local Rules (the "***2002 List***") as of the Voting Record Date. The Debtors respectfully submit that the foregoing procedures comply with Bankruptcy Rule 3017(d) and, therefore, should be approved.

D. The Court Should Approve the Voting Record Date and Voting Deadline.

38. Bankruptcy Rule 3017(d) provides that, for purposes of soliciting votes on a chapter 11 plan, "creditors and equity security holders shall include holders of stock, bonds, debentures,

notes and other securities of record on the date the order approving the disclosure statement is entered or another date fixed by the court, for cause, after notice and a hearing." Fed. R. Bankr. P. 3017(d). Bankruptcy Rule 3018(a) contains a similar provision regarding determination of the record date for voting purposes. Fed. R. Bankr. P. 3018(a). Additionally, Bankruptcy Rule 3017(c) provides that before approving the disclosure statement, the Court must fix a time within which the holders of claims and interests may accept or reject a plan and may fix a date for the hearing on confirmation of a plan. *See* Fed. R. Bankr. P. 3017(c).

39. Accordingly, the Debtors request that the Court exercise its authority under Bankruptcy Rules 3017(d) and 3018(a) to establish: (i) September 3, 2024, as the voting record date (the "***Voting Record Date***"); (ii) September 10, 2024, as the solicitation mailing deadline by which the Debtors must distribute Re-Solicitation Packages, including Modified Ballots, to Classes 4 and 6 (the "***Solicitation Deadline***"); and (iii) September 27, 2024 at 5:00 p.m. (CT) as the voting deadline (the "***Voting Deadline***"), which date may be extended by the Debtors, and by oral or written notice to the Solicitation Agent. The Debtors may extend the Voting Deadline an unlimited number of times, by any increment, and retroactively. The Debtors will have no obligation to publish, advertise, or otherwise communicate any such extension, other than by notifying each of the Prepetition Indenture Trustees for conveyance to the noteholders in their respective facilities, notifying the First Lien Noteholder Group, notifying the Committee, posting a notice on the Solicitation Agent's website for the case, and filing a notice of the extension with the Court. The Debtors will also disclose any extension of the Voting Deadline in the Voting Report.

40. After the Re-Solicitation Packages have been distributed to Classes 4 and 6, Classes 4 and 6 should complete, execute, and return their Modified Ballots in accordance with the instructions contained in such Modified Ballots so that they are actually received by the Solicitation Agent on or before the Voting Deadline.

41. The foregoing will afford Classes 4 and 6 at least 17 days within which to receive the Re-Solicitation Packages, review and analyze the materials in the Re-Solicitation Packages, and make an informed decision as to whether to vote to accept or reject the Modified Second

Amended Plan before the Voting Deadline. Accordingly, the Debtors request that the Court approve the form of, and the proposed procedures for distributing, the Re-Solicitation Packages to Classes 4 and 6.

E. The Court Should Approve the Amended Confirmation Hearing Notice and Procedures for Objecting to Confirmation of the Modified Second Amended Plan Distributing Other Materials.

42. Section 1128 of the Bankruptcy Code provides that a court shall hold a hearing on confirmation of a plan and provides that parties in interest can object to confirmation. 11 U.S.C. § 1128. Additionally, Bankruptcy Rule 3017(c) provides that, on or before approval of a disclosure statement, a court shall fix a time for the hearing on confirmation of a plan. Fed. R. Bankr. P. 3017(c). In accordance with section 1128 of the Bankruptcy Code and Bankruptcy Rule 3017(c), and consistent with the Court's remarks during the Status Conference with regard to scheduling,[12] the Debtors request that the Court establish October 7, 2024 at 9:00 a.m. (CT) as the Confirmation Hearing Date.

43. The Debtors also request that the Court approve the manner in which parties in interest may object to confirmation of the Modified Second Amended Plan. Pursuant to Bankruptcy Rule 3020(b)(1), objections to confirmation of a plan must be filed and served "within a time fixed by the court." Fed. R. Bankr. P. 3020(b)(1). The Amended Confirmation Hearing Notice, which will be served upon all entities in the creditor matrix, will require that objections to confirmation of the Modified Second Amended Plan or requests for modifications to the Modified Second Amended Plan, if any, must:

a. be in writing;

b. conform to the Bankruptcy Rules, Local Rules, and any orders of the Court;

c. set forth the name and address of the objecting party and the nature and amount of Claims or Interests held or asserted by the objecting party;

d. state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan (or related materials) that would resolve such objection; and

[12] *See* Status Conference transcript at 71:17–72:8, August 13, 2024.

e. be filed with the Court (contemporaneously with a proof of service) on or before September 13, 2024 at 5:00 p.m. (CT) (the "***Confirmation Objection Deadline***").

44. Bankruptcy Rule 2002(l) also permits the Court to "order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice." Fed. R. Bankr. P. 2002(l). In addition to mailing the Amended Confirmation Hearing Notice, the Debtors propose to publish the Amended Confirmation Hearing Notice (or a notice substantially similar to it) in the national edition of the *New York Times* (national edition) and the *Financial Times* (global edition), and any local publications that the Debtors deem appropriate (and will disclose in the Claims Agent's affidavit of service), within ten (10) business days after entry of the Disclosure Statement Order or as soon as reasonably practicable thereafter. The Debtors will also publish the Amended Confirmation Hearing Notice on the Debtors' case information website and on the Court's docket.

F. The Court Should Approve the Form and Distribution of the Amended Confirmation Hearing Notice to the Unaffected Classes.

45. After approval of a disclosure statement, the debtor must transmit the plan, the approved disclosure statement, a notice of the time within which acceptances and rejections of such plan may be filed, and any other information that the court may direct to certain holders of claims. *See* Fed. R. Bankr. P. 3017(d).

46. The holders of Claims and Interests in the Unaffected Classes are not entitled to vote on the Modified Second Amended Plan and are not affected by the amendments made therein. As a result, the Debtors propose not to serve them with Re-Solicitation Packages. Instead, on or before the Solicitation Deadline, in lieu of a Re-Solicitation Package, the Solicitation Agent will mail (first-class postage prepaid) an Amended Confirmation Hearing Notice to holders of Claims and Interests in Classes 1, 2, 3, 5, 7a, 7b, 7c, 8, and 10 (holders of Notes Claims in those Classes

will instead receive an Amended Confirmation Hearing Notice through their DTC Nominees or their Nominees' third-party proxy agent) and to counterparties.

47. The Debtors request that they not be required to mail Re-Solicitation Packages or other solicitation materials to: (a) holders of Claims that have already been paid in full during the Chapter 11 Cases; (b) holders of Claims that the Debtors are authorized to pay in full in the ordinary course of business pursuant to an order previously entered by this Court and that the Debtors expect in good faith to pay in full in the ordinary course; (c) holders of Claims in Class 9 (Intercompany Claims) and Class 11 (Intercompany Interests); or (d) any party to which a previous notice was sent but was subsequently returned as undeliverable.

48. The Debtors believe that the foregoing procedures will provide parties in interest adequate notice of the approval of the Amended Disclosure Statement, the Voting Record Date, the Voting Deadline, the Confirmation Objections Deadline, and the time, date and place of the Confirmation Hearing.

G. All Original Solicitation, Voting, and Tabulation Procedures Remain in Full Force and Effect and Other Classes Do Not Require Re-Solicitation.

49. The amendments reflected in the Modified Second Amended Plan and Amended Disclosure Statement do not materially and adversely affect any of the Unaffected Classes. Accordingly, the Debtors request that the Court find that all other solicitation and tabulation procedures with respect to the Plan, as previously approved by the Court, other than the re-solicitation of Classes 4 and 6, apply to the Modified Second Amended Plan with the same force and effect as they applied to the Plan.

III. NON-SUBSTANTIVE MODIFICATIONS

50. The Debtors request authorization to make non-substantive changes to the Amended Disclosure Statement, Modified Second Amended Plan, Amended Confirmation Hearing Notice, Re-Solicitation Packages, Modified Ballots, Re-Solicitation and Voting Procedures, and related documents without further orders of the Court, including changes to correct typographical and grammatical errors, if any, and to make conforming changes to the Amended Disclosure Statement,

the Modified Second Amended Plan, and any other materials in the Re-Solicitation Packages before distribution. Fed. R. Bankr. P. 3019.

EMERGENCY CONSIDERATION

51. The Procedures for Complex Cases in the Southern District of Texas (the "***Complex Case Procedures***") require that all motions seeking relief on less than 21-days' notice must be filed as "emergency" motions. The Debtors request emergency consideration of this Motion so that the confirmation process can go forward on the expedited schedule previously suggested by the Court.

NOTICE

52. Pursuant to Bankruptcy Rule 2002 and paragraph 11 of the Procedures for Complex Cases in the Southern District of Texas, notice of this Motion will be provided to all creditors (and their nominees) and indenture trustees, all equity security holders, the official committee of unsecured creditors, the Securities and Exchange Commission, the United States Trustee for Region 7, and all other parties in interest listed on the master service list maintained by the Debtors. The Debtors respectfully submit that no further notice is required under the circumstances.

[*Remainder of page intentionally blank*]

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

Dated: August 23, 2024

Respectfully submitted,

/s/ Charles A. Beckham, Jr.

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Debtors in Possession

CERTIFICATE OF SERVICE

I certify that, on August 23, 2024, a true and correct copy of the foregoing document was served through the Electronic Case Filing system of the United States Bankruptcy Court for the Southern District of Texas, and will be served as set forth in the Affidavit of Service to be filed by the Debtors' noticing agent.

/s/ Charles A. Beckham, Jr.
Charles A. Beckham, Jr.

EXHIBIT 1 TO THE MOTION

BLACKLINE OF AMENDED DISCLOSURE STATEMENT

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

DISCLOSURE STATEMENT FOR THE MODIFIED ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF WESCO AIRCRAFT HOLDINGS, INC. *ET AL.*[2]

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[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/~~http://www.veritaglobal.net/incora/. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

[2] Capitalized terms used but not defined in this Disclosure Statement have the meanings ascribed to them in the Modified Second Amended Plan.

This disclosure statement is being submitted for, but has not yet gained, approval of the United States Bankruptcy Court for the Southern District of Texas. The filing of this proposed disclosure statement is not a solicitation of acceptance or rejection of any chapter 11 plan. Such a solicitation may not occur until a disclosure statement has been approved by the Bankruptcy Court. The information presented in this proposed disclosure statement is subject to material change. This proposed disclosure statement is not an offer to sell any securities and is a solicitation of any offer to buy securities.

DISCLOSURE STATEMENT
DATED ~~JANUARY 12~~AUGUST 23, 2024

SOLICITATION OF VOTES ON THE MODIFIED ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF WESCO AIRCRAFT HOLDINGS, INC. *ET AL.*

incora™

INNOVATION THROUGH INTEGRATION

IMPORTANT NOTICES AND DISCLAIMERS

DEADLINE FOR VOTING

If you are entitled to vote, your Ballot must be submitted to and ***actually received*** by Kurtzman Carson Consultants, LLC **dba Verita Global** (the "*Solicitation Agent*") at or before ~~***5:00 p.m. (CST) on February 15***~~***9:00 a.m. on September 27, 2024*** (the "*Voting Deadline*"), unless the Voting Deadline is extended. If the Solicitation Agent does not actually receive your Ballot by the Voting Deadline, your vote will be counted only at the discretion of the Debtors unless the Voting Deadline is extended.

HEARING ON CONFIRMATION

Any objections to confirmation of the **Modified Second Amended** Plan must be filed and served on the Debtors, the Committee, the First Lien Noteholder Group, and the U.S. Trustee no later than ***5:00 p.m. (***~~CST~~***CT) on*** ~~February 15~~***September 13, 2024***.

A ~~preliminary status conference (the "*Preliminary Status Conference*") in relation to further consideration of Confirmation will be held on February 22, 2024, at 4:00 p.m. (CST), solely by audio and video connection. Subject to the outcome of the Preliminary Status Conference, a~~ hearing to consider confirmation of the **Modified Second Amended** Plan (the "*Confirmation Hearing*") will be held on ~~February 27~~***October 7, 2024***~~,~~ ***at 9:00 a.m. (***~~CST~~***CT)***. The Confirmation Hearing will be held before the Honorable Marvin Isgur, United States Bankruptcy Judge, in Courtroom 404 at 515 Rusk Street, Houston, TX 77002.

You may participate in ~~(a) the Preliminary Hearing by an audio and video connection and (b)~~ the Confirmation Hearing ~~hearing~~ either in person or by an audio and video connection. Audio communication will be through the Court's dial-in facility, at 1 (832) 917-1510. Once connected, the audio conference room number is 954554. Video communication will be through the GoToMeeting platform. You may connect via the free GoToMeeting application or by clicking the link on Judge Isgur's homepage at https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-marvin-isgur. Once connected, click the settings icon in the upper right corner and enter your name under the personal information setting. Appearances must be made electronically in advance of both remote and in-person hearing attendance. To make your appearance, click the "Electronic Appearance" link on Judge Isgur's homepage at https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-marvin-isgur. Select the case name, complete the required fields, and click "Submit" to complete your appearance.

RECOMMENDATION: VOTE TO ACCEPT THE MODIFIED SECOND AMENDED PLAN

The Debtors recommend that all eligible holders of Claims vote to accept the Modified Second Amended Plan. The proposed restructuring will eliminate approximately $2 billion in debt from the Debtors' balance sheet and thereby improve the Debtors' financial condition and overall creditworthiness and help ensure their continued operations.

~~The Official Committee of Unsecured Creditors (the "*Committee*") also recommends that all unsecured creditors vote to **accept** the Plan.~~

THIRD-PARTY RELEASE

The Modified Second Amended Plan provides that certain Entities and Persons will be deemed to have granted the Third-Party Release contained in Article VIII.E of the Modified Second Amended Plan. You will be bound by the Third-Party Release if you do not validly and timely opt out of the Third-Party Release. For more information about the Third-Party Release, please refer to Section IV.H.4.f of this Disclosure Statement.

DISCLAIMERS

Each holder of a Claim who is entitled to vote on the **Modified Second Amended** Plan should read this Disclosure Statement (including the **Modified Second Amended** Plan and other exhibits) in its entirety before voting. The description of the **Modified Second Amended** Plan provided throughout this Disclosure Statement is only a summary of the **Modified Second Amended** Plan. If this Disclosure Statement is incomplete or inconsistent with the **Modified Second Amended** Plan in any respect, the **Modified Second Amended** Plan will govern. A copy of the **Modified Second Amended** Plan is attached as **Exhibit A** to this Disclosure Statement.

The contents of this Disclosure Statement should not be construed as providing any legal, business, financial, or tax advice, and the Debtors urge any holder of a Claim who is entitled to vote on the **Modified Second Amended** Plan to consult with its own advisors for any legal, business, financial, or tax advice in reviewing this Disclosure Statement and the **Modified Second Amended** Plan, before deciding whether to vote to accept or reject the **Modified Second Amended** Plan. This Disclosure Statement shall not be understood to be advice on the tax, securities, or other legal effects of the **Modified Second Amended** Plan as to holders of Claims against the Debtors or the Reorganized Debtors. The Debtors have not authorized any entity to provide any information about, or concerning, the **Modified Second Amended** Plan, other than the information contained in this Disclosure Statement. In addition, the Debtors have not authorized any entity to make any representations concerning the Debtors or the value of their property, other than as set forth in this Disclosure Statement. Any other representations or inducements made to secure your vote for acceptance or rejection of the **Modified Second Amended** Plan should not be relied upon.

Except where specifically noted, the statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement. There can be no assurance that those statements will remain correct or accurate at any time after that date.

Statements in this Disclosure Statement concerning the provisions of any document are not necessarily complete; in each instance, reference is made to the complete text of such document. Certain documents described in or referred to in this Disclosure Statement have not been attached

as exhibits because of the impracticability of furnishing complete copies of those documents to all recipients of this Disclosure Statement.

Except where specifically noted, the financial information contained in this Disclosure Statement (including its exhibits) has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles.

The Debtors' management and advisors have prepared the projections attached to this Disclosure Statement. While those projections have been presented with numerical specificity, the projections are necessarily based on a variety of estimates and assumptions which, though considered reasonable by management, may not be realized and are inherently subject to significant business, economic, competitive, industry, regulatory, market, and financial uncertainties and contingencies, many of which will be beyond the Reorganized Debtors' control. The Debtors caution that they cannot make any representations as to the accuracy of these projections or to the Reorganized Debtors' ability to achieve the projected results. Some assumptions will inevitably differ from actual conditions. Furthermore, events and circumstances occurring after the date on which these projections were prepared may differ from any assumed facts and circumstances and may affect financial results in a materially adverse or materially beneficial manner. The projections, therefore, should not be relied upon as a guarantee or other assurance of the actual results that will occur.

Descriptions of actual or threatened litigation in this Disclosure Statement shall not constitute, and should not be construed as, an admission, stipulation, or waiver.

None of the Debtors' creditors (including the Note Purchasers, as defined in the DIP Note Purchase Agreement) or any of their respective representatives, members, financial or legal advisors or agents, has independently verified the information contained in this Disclosure Statement, takes any responsibility for that information, should have any liability with respect to that information, or makes any representations or warranties whatsoever concerning the information contained in this Disclosure Statement.

Special Notice Regarding Federal and State Securities Laws

Neither this Disclosure Statement nor the **Modified Second Amended** Plan has been filed with the United States Securities and Exchange Commission (the "*SEC*") or any comparable state authority. The securities issued pursuant to the **Modified Second Amended** Plan have not been approved or disapproved by the SEC or any state securities commission or similar public, governmental, or regulatory authority, and neither the SEC nor any state securities commission or authority has passed upon the accuracy or adequacy of the information contained in this Disclosure Statement or the merits of the **Modified Second Amended** Plan. Any representation to the contrary is a criminal offense.

This Disclosure Statement has been prepared pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b). The securities to be issued pursuant to the **Modified Second Amended** Plan on or after the Effective Date will not have been the subject of a registration statement filed with the SEC under the Securities Act, or any securities regulatory authority of any state under the applicable state securities law or similar public, governmental, or regulatory

authority. The Debtors intend to rely on, to the extent each is available, (a) section 1145(a) of the Bankruptcy Code, (b) section 4(a)(2) of the Securities Act, or (c) Regulation D promulgated thereunder (and in each case, equivalent state law registration exemptions) to exempt from registration under the Securities Act the new securities of the Reorganized Debtors in connection with the **Modified Second Amended** Plan.

This Disclosure Statement contains "forward-looking statements". Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology, such as "may," "expect," "anticipate," "estimate," "continue," or the negatives of those words, as well as any similar language. All forward-looking statements are necessarily speculative, and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. The liquidation analysis, financial projections, and other projections and forward-looking information contained in and attached to this Disclosure Statement are only estimates, and the timing and amount of actual distributions to holders of Allowed Claims, among other things, may be affected by many factors that cannot be predicted. Any analyses, estimates, or recovery projections may or may not turn out to be accurate.

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SECTION I.
INTRODUCTION

A. THE DISCLOSURE STATEMENT AND VOTING

Wesco Aircraft Holdings, Inc. ("*Wesco Holdings*") and its affiliated debtors (each, a "*Debtor*" and, collectively, the "*Debtors*" or "*Incora*" or the "*Company*") submit this disclosure statement (as amended from time to time, the "*Disclosure Statement*") in connection with the Solicitation of votes on the *Modified ~~First~~**Second** Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.*, attached as **Exhibit A-1** (the "***Modified Second Amended** Plan*") to this Disclosure Statement.

The purpose of this Disclosure Statement is to enable those creditors that are entitled to vote on the **Modified Second Amended** Plan to make an informed decision on whether to vote to accept or reject the **Modified Second Amended** Plan. This Disclosure Statement contains summaries of the **Modified Second Amended** Plan, certain documents related to the **Modified Second Amended** Plan, descriptions of relevant statutory provisions, and a description of key events in the Debtors' chapter 11 cases (the "*Chapter 11 Cases*"). This Disclosure Statement is part of the "***~~Solicitation~~Re-Solicitation** Package*" distributed to all holders of Claims in ~~the Voting~~ Classes **4 and 6**, which contains the following:

- this Disclosure Statement;
- the **Modified Second Amended** Plan, as **Exhibit A-1** to this Disclosure Statement;
- **a redline of the Modified Second Amended Plan against the Modified First Amended Plan,[3] as Exhibit A-2 to this Disclosure Statement;**
- the Financial Projections, as **Exhibit B** to this Disclosure Statement;
- the Liquidation Analysis, as **Exhibit C** to this Disclosure Statement;
- the Valuation Analysis, as **Exhibit D** to this Disclosure Statement;
- an organizational chart, as **Exhibit E** to this Disclosure Statement;
- the Restructuring Support Agreement, as **Exhibit F** to this Disclosure Statement; **and**
- one or more ballots (the "*Ballots*"), which include instructions describing the acceptable methods to submit a Ballot~~; and~~**.**

~~• a letter on behalf of the official committee of unsecured creditors, recommending that all unsecured creditors vote to accept the Plan.~~

[3] ***See* the Debtors' *Modified First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Dkt. No. 1223] (the "*Modified First Amended Plan*").**

Questions regarding the Ballots or voting procedures may be directed to the Debtors' Solicitation Agent, as follows:

Solicitation Agent:
Kurtzman Carson Consultants LLC dba Verita Global
~~www.kccllc.net/incora/inquiry~~www.veritaglobal.net/incora/inquiry
(888) 251-2937 (toll-free)
+1 (310) 751-2613 (international)

If you are a holder of a Claim who is entitled to vote on the Modified Second Amended Plan and you did not receive a Ballot, received a damaged Ballot, or lost your Ballot, please contact the Solicitation Agent at the website or telephone numbers shown above.

For your vote to count, your Ballot must be ***actually received*** by the Solicitation Agent no later than the Voting Deadline of ~~***5:00 p.m***~~*9:00 a.m*. (~~***CST***~~*CT*) ***on*** ~~***February 15***~~*September 27*, ***2024***. Each Ballot must be completed, properly executed, and delivered to the Solicitation Agent in accordance with the instructions set forth on the Ballot, so that the Ballot is actually received by the Solicitation Agent before the Voting Deadline. Copies, faxes, and emails will not be accepted or counted; *provided that* Master Ballots may be submitted by email in accordance with the Master Ballot's instructions.

B. Overview of the Proposed Restructuring

The Debtors are pleased to announce that the Modified Second Amended Plan provides for a comprehensive financial restructuring (the "*Restructuring*") that will eliminate approximately $2 billion of net debt (plus unpaid interest) from their balance sheet. As a result, Incora will emerge from chapter 11 (as the "*Reorganized Debtors*") a stronger company, with a sustainable capital structure that is better aligned with its expectations for growth.

The Modified Second Amended Plan is described in further detail at Section IV, below. Both this summary and that further description are qualified in their entirety by reference to the Modified Second Amended Plan itself. As a result of the Restructuring:

- ABL Facility Claims will receive Cash in an amount equal to the Allowed amount of such ABL Facility Claim.
- The outstanding principal and exit ~~fee~~premium payable under the DIP Notes will be ~~converted~~exchanged into an equivalent amount of New Exit Notes (totaling approximately $324 million in principal)~~, while~~. All other DIP Financing Claims (including accrued and unpaid interest on the DIP Notes) will be paid in full in Cash.
- ~~The holders~~Holders of Allowed 1L Notes Claims (excluding any 1L Notes Claims on account of New Money Unsecured Notes) and Allowed 2026 Notes Claims will receive their pro rata share of (a) $420,000,000 in principal amount of New Takeback Notes and ~~96.5~~(b) not less than 96.9%

of the New Common Equity~~,~~ (subject to dilution by any New Common Equity issued in respect of the Management Incentive Plan). **These pro rata distributions will be subject to adjustment based on any cash payment of fees and expenses that the Debtors are ordered to pay the 2026 Professionals.**

- ~~The holders~~**Holders** of 1L Notes Claims will also receive ~~indemnification as set forth under Article V.D.2.b of the Plan.~~**their pro rata share of up to 1.4632% of the New Common Equity (**subject to dilution by any **New Common Equity issued in respect of the Management Incentive Plan) on account of any New Money Unsecured Notes.**

~~• The Settlement Equity Pool (i.e., 3.5% of the New Common Equity, subject to dilution by the Management Incentive Plan) will be distributed to holders of Allowed General Unsecured Claims.~~

- **Holders of Allowed General Unsecured Claims (including Allowed 2027 Unsecured Notes Claims) and Allowed 2024 Unsecured Notes Claims will receive their pro rata share of approximately 1.5967% of the New Common Equity (subject to dilution by any New Common Equity** issued in respect of the Management Incentive Plan**).**

- **Consideration received on account of Allowed 1L Notes Claims (including on account of New Money Unsecured Notes), Allowed 2026 Notes Claims, and Allowed 2024 Unsecured Notes Claims shall be subject to increase or decrease, as applicable, on account of the Appellate Adjustment Mechanism.**

- The holders of Allowed General Unsecured Convenience Claims (i.e., general unsecured claims in amounts up to $1,500,000) will receive their ~~Pro Rata~~**pro rata** share of ~~Cash~~**cash** in the amount of $7,500,000, except that no such holder will receive more than 10.00% of the Allowed amount of its General Unsecured Convenience Claim.

- The holders of 1.25L Notes Claims, PIK Notes Claims, and Existing Equity Interests will receive no distributions.

- The holders of certain other Allowed Claims, including Priority Non-Tax Claims and Other Secured Claims, will be Unimpaired by the **Modified Second Amended** Plan, meaning that they will be paid in full in cash, paid in the ordinary course of business, or receive other treatment as permitted by the Bankruptcy Code.

The Debtors believe that the proposed Restructuring will provide the Debtors with the capital structure and liquidity that they need to flourish. Entering bankruptcy, the Debtors were overleveraged and faced severe liquidity constraints. The Restructuring will address those problems by eliminating approximately $2 billion in net funded debt obligations, thereby reducing debt service and eliminating near-term maturities. Furthermore, the rejection or renegotiation of certain burdensome contracts during the Chapter 11 Cases will improve Incora's long-term profit margins.

In developing the **Modified Second Amended** Plan, the Debtors, with the assistance of their advisors, conducted a careful review of their existing business operations and compared their projected value as an ongoing business enterprise with their projected value in a liquidation scenario, as well as the estimated recoveries to holders of Allowed Claims in each of these scenarios. The Debtors concluded that the potential recoveries to holders of Allowed Claims would be maximized by continuing operations as a going concern through implementation of the Restructuring. The Debtors believe that their businesses and assets have significant value that would not be realized in a liquidation or piecemeal sale. Moreover, the Debtors believe that any alternative to the **Modified Second Amended** Plan could result in significant delay, litigation, execution risk, and additional costs, ultimately lowering the recoveries to holders of Claims that can be achieved through the Restructuring. Accordingly, it is the Debtors' opinion that confirmation and implementation of the **Modified Second Amended** Plan is in the best interests of the Debtors' estates, creditors, and equity interest holders. Therefore, the Debtors recommend that all eligible holders of Claims vote to ***accept*** the **Modified Second Amended** Plan.

C. Summary of Classification, Treatment, and Estimated Recoveries

The following table summarizes the classification of Allowed Claims and Interests and the estimated recoveries of their holders under the **Modified Second Amended** Plan. Although every reasonable effort was made to be accurate, the projections of recoveries are only estimates. Actual recoveries realized under the **Modified Second Amended** Plan may vary from these estimates. In addition, the ability of holders to receive distributions under the **Modified Second Amended** Plan depends upon, among other things, the ability of the Debtors to obtain Confirmation of the **Modified Second Amended** Plan and to meet the conditions to effectiveness of the **Modified Second Amended** Plan. For additional explanation regarding the terms of the **Modified Second Amended** Plan and its treatment of Allowed Claims and Interests, please refer to the discussion in Section IV, entitled "Summary of Plan of Reorganization," as well as the **Modified Second Amended** Plan itself, which is attached to this Disclosure Statement as **Exhibit A-1**. This chart assumes that the value of New Common Equity will be within the range disclosed in the Valuation Analysis attached as **Exhibit D**, that all post-Effective Date debt will be valued at par, that the Settlement Equity Pool will be shared by holders of approximately $650 million to $690 million of General Unsecured Claims **and 2024 Unsecured Notes Claims**, and that the consideration allocated to Class 7b will be shared by holders of approximately $70 million to $75 million of General Unsecured Convenience Claims. Actual ranges and recoveries may differ materially from these assumptions. The following table is qualified in its entirety by reference to the full text of the **Modified Second Amended** Plan.

Class	Claims or Interests	Impairment	Voting Rights	Recovery
1	Priority Non-Tax Claims	Unimpaired	Presumed to accept	100%
2	Other Secured Claims	Unimpaired	Presumed to accept	100%
3	ABL Facility Claims	Unimpaired	Presumed to accept	100%
4	1L Notes Claims	Impaired	**Entitled to vote**	~~58–92~~**40–67**%

Class	Claims or Interests	Impairment	Voting Rights	Recovery
5	1.25L Notes Claims	Impaired	Deemed to reject	0%
6a	~~[Reserved]~~2026 Notes Claims	~~N/A~~Impaired	~~N/A~~Entitled to vote	~~N/A~~50–83%
~~6b~~	~~[Reserved]~~	~~N/A~~	~~N/A~~	~~N/A~~
7a	General Unsecured Claims	Impaired	~~Entitled to vote~~Previously voted during initial solicitation	~~2–5~~2–4%
7b	General Unsecured Convenience Claims	Impaired	~~Entitled to vote~~Previously voted during initial solicitation	10%
7c	2024 Unsecured Notes Claims	Impaired	Previously voted during initial solicitation	2–4%
8	PIK Notes Claims	Impaired	Deemed to reject	0%
9	Intercompany Claims	Impaired/ Unimpaired	Deemed to reject or presumed to accept	0% or 100%
10	Existing Equity Interests	Impaired	Deemed to reject	N/A
11	Intercompany Interests	Unimpaired	Presumed to accept	N/A

D. FURTHER INQUIRIES

If you have questions about the Solicitation Package you have received, please contact the Solicitation Agent at (888) 251-2937 (toll-free in the U.S. and Canada) or +1 (310) 751-2613 (international). Additional copies of this Disclosure Statement, the Modified Second Amended Plan, and the Modified Second Amended Plan Supplement (when filed) are available on the Solicitation Agent's website, ~~https://www.kccllc.net/Incora~~https://www.veritaglobal.net/Incora, or upon written request made to the Solicitation Agent at the following address:

Incora Ballot Processing
c/o ~~KCC LLC~~Verita Global
222 N. Pacific Coast Hwy., Ste. 300
El Segundo, CA 90245
United States

Please do not direct inquiries to the Bankruptcy Court.

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SECTION II.
HISTORICAL INFORMATION

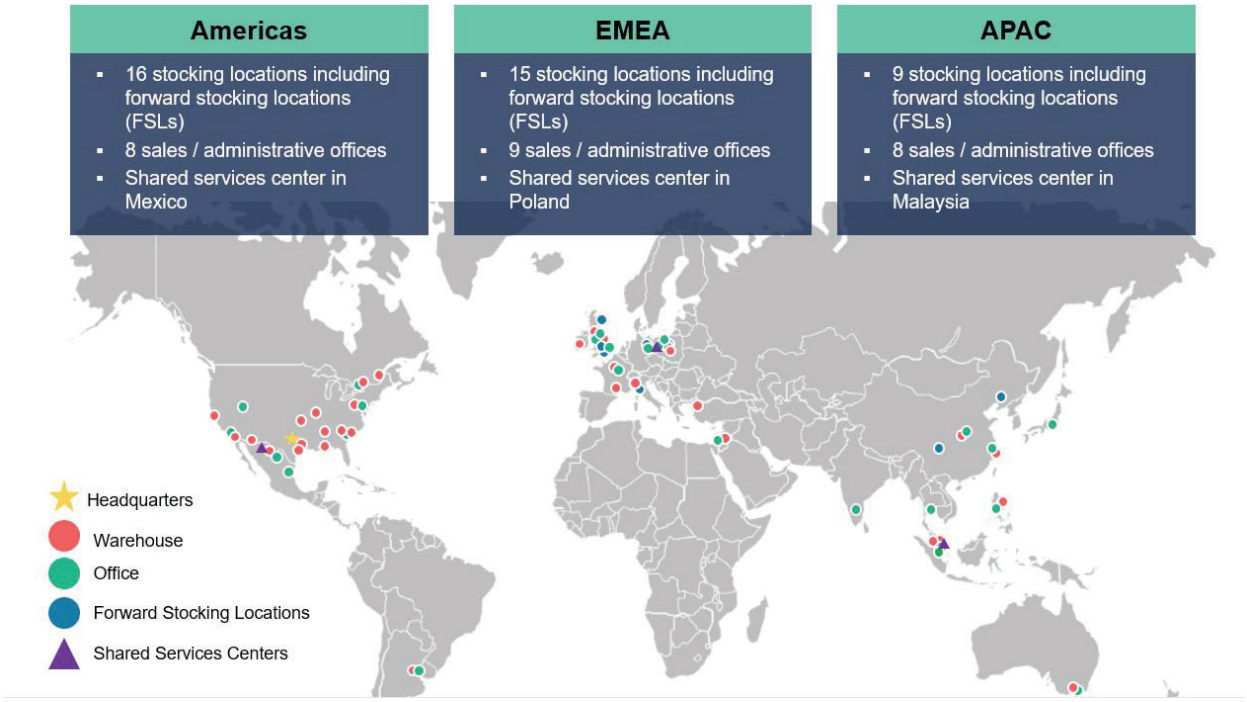
A. INCORA'S BUSINESS

Incora provides customizable and often on-demand supply chain management services to manufacturers and maintenance providers across several industries, with a focus on the commercial and defense aerospace industry. Incora enables manufacturers and maintenance providers to off-load the resource-intensive management of their critical supply inventories and instead focus on their core manufacturing or repair businesses.

These manufacturers and maintenance providers depend on Incora to provide critical components and other supplies reliably and quickly. Without Incora's services, these manufacturers and maintenance providers would need to source and keep on hand at all times various supplies needed to, for example, overhaul a jet engine—fasteners, bearings, lubricants, sealants, and so on—which would require them to devote substantial resources to processes outside their core capabilities. If a manufacturer or maintenance provider has a contract with Incora, it can rapidly obtain the parts or chemicals from an Incora warehouse. The manufacturer or maintenance provider could also contract with Incora for tailored, holistic supply chain management, allowing Incora to track and forecast its needs and provide supplies before it knows they are needed. Because Incora's services are so closely integrated into its customer's operations, its customers could experience delays or even shutdowns in their production lines if Incora does not provide them with necessary supplies. In short, Incora's services are critical to the day-to-day operations of its customers and the entire aerospace industry.

1. Global Presence, Customers and Suppliers

Incora's business depends on its ability to maintain a global physical presence and an equally broad network of employees to coordinate with its numerous vendors and customers. From its global headquarters in Fort Worth, Texas, its European headquarters in Derby, England, and its Asian headquarters in Singapore, Incora operates more than 60 stocking locations, warehouses, and offices in 17 countries across the globe.



To serve its over 8,400 customers – many of which are major, well-known, organizations within their respective industries and which range from aircraft manufacturers to the U.S. military[3][4] to automotive manufacturers to pharmaceutical companies – Incora employs approximately 3,750 people worldwide. More than 1,200 of them work at approximately 200 customer sites and provide a range of critical on-site services, creating a bespoke and comprehensive service experience. These employees are essential to sourcing hardware and chemicals from over 7,000 suppliers.

Incora's services allow both suppliers and customers to improve performance and increase value. Suppliers benefit from improved machine utilization, reduced finished goods inventory, access to Incora's customers, improved working capital and cash flow, price discipline, lower administrative and selling costs, and improved on-time performance, among other things. Customers benefit from lower overhead costs, reduced inventory and working capital, improved productivity, better on-time delivery, consistent and predictable quality, fewer stock shortages, and a single point of contact for orders and deliveries.

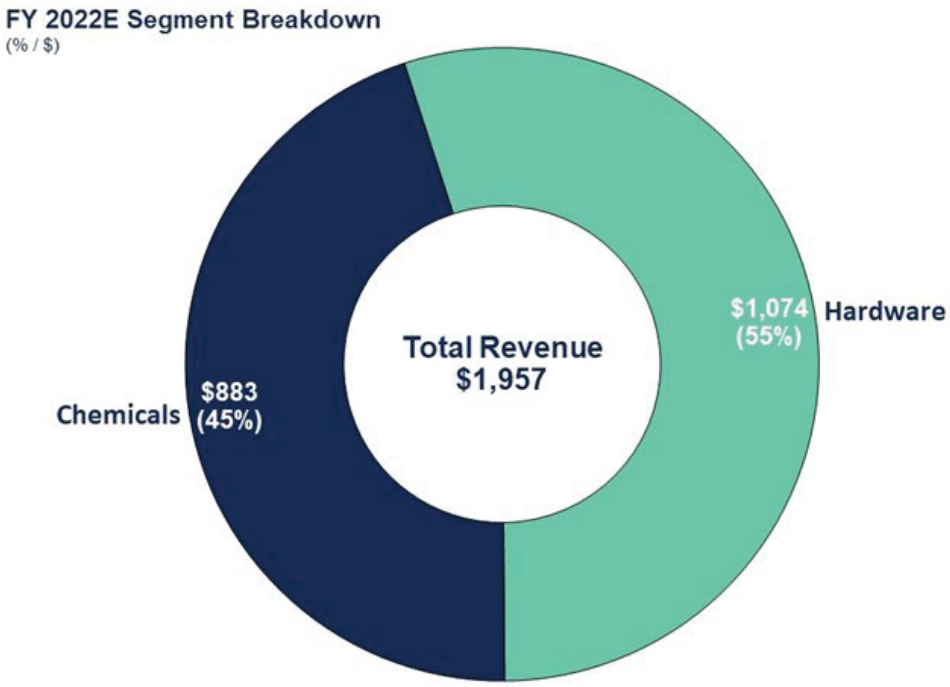
Incora can provide this value because it is deeply rooted among the industries it serves. The average length of time that Incora has served its ten largest customers (who collectively represent 57% of its revenue in fiscal year 2022) is greater than 20 years. Likewise, its relationships with its ten largest suppliers span, on average, over 25 years. Incora attributes its industry-leading status

[3][4] Over 40% of Incora's revenues derive from business with the U.S. military and several large defense contractors and subcontractors that manufacture aircraft and armaments, many of which have been customers for decades. The defense industry remained relatively stable during COVID-19 and continues to grow steadily.

in significant part to its history of focusing on establishing these long-term relationships with customers and suppliers.

2. Business Lines

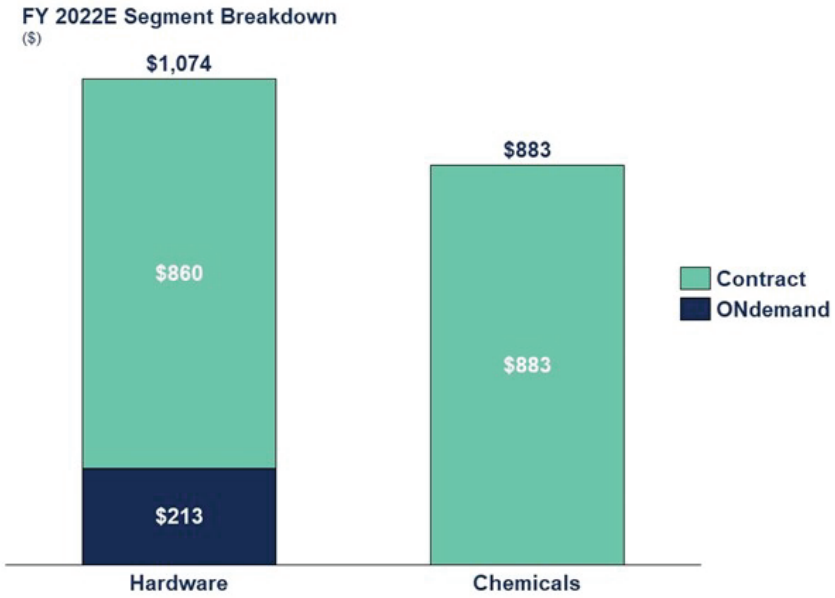
Incora has two primary lines of business: the Hardware business and the Chemicals business (each as defined below). The Hardware business focuses on the distribution and supply chain management of fasteners, bearings, machined parts, tooling, and other hardware supplies, while the Chemicals business focuses on the distribution and supply chain management of solvents, paints, coatings, oils, greases, lubricants, adhesives, tapes, sealants, industrial gases, and other chemical supplies.



Incora's hardware business is further organized by its Contract and ONdemand models. Under the Contract model, Incora provides customized services to source, hold, and deliver inventory directly to Incora's customers' manufacturing sites. Incora enters into long-term contracts with its customers and earns a margin on product sales and a management fee on services provided. Contracts typically have three- to five-year terms.

The ONdemand model creates value through the maintenance of a distribution system that provides hardware parts to customers at a variable market-driven price without the need for long-term contracts. The ONdemand model generally suits customers with immediate delivery needs or limited purchasing scale.

The Hardware business consists of a mix of Contract and ONdemand model revenue, while the Chemicals business largely consists of Contract model revenue.



a. ***The Contract Business***

The long-term nature of customer contracts allows Incora to customize product sourcing and compliance processes, as well as integrate IT systems. Incora stations employees on-site at major customers' facilities to receive, inspect, organize, and deliver parts directly to their production lines.

Incora offers its Contract customers several services:

- *Supply Chain Management:* Comprehensive supply chain management that provides a single point of contact for a customer's supply chain needs. Incora tailors its services to each customer, managing the customer's unique inventory procurement needs and ensuring regulatory compliance.
- *Inventory Management Services:* Technology- and data-based solutions for monitoring inventory and forecasting procurement needs. This includes the provision of stocking and planning tools designed to track consumption, manage expirations, and automatically replenish orders through Incora's global network of distribution centers, as well as to identify and avoid potential acquisitions of unnecessary inventory.
- *Chemical Services:* Software solutions and on-site services to support chemical inventory management and regulatory compliance. Chemical management is essential to a variety of industries, including aerospace, industrial and heavy machinery, and pharmaceuticals. Incora's proprietary "tcmIS" software allows customers to control purchasing, track chemical location and usage, and streamline environmental and other regulatory compliance. Additionally, Incora's hazard communication ("*HAZCOM*") program, which complies with the Occupational Safety and Health Administration ("*OSHA*") Hazard Communication Standard, presents OSHA's hazard

communications guidance in an easy-to-understand format that enables employees to respond quickly and safely in the event of a chemical emergency.

- *Composite Management:* Management of inventories of composite materials – *i.e.*, special-purpose materials used in both simple and complex aircraft part manufacturing. Composite materials are essential to continuing innovation in aircraft design, including improvements in fuel efficiency. Incora offers fully customizable composite materials kits.
- *Kitting Services:* Delivery services for customized kits containing exact quantities of inventories needed for specific jobs. Kitting services allow customers to avoid sourcing and storing miscellaneous inventory.
- *Distribution Services:* Global delivery of hardware, chemicals, electronics, and other supplies. Incora meets its customers' distribution needs through its global locations and over $1 billion of inventory, employing certified quality assurance and documentation experts.
- *Vending Services:* Sale and installation of "warehouse-in-a-box" vending cabinets for customer facilities. Vending cabinets, which can hold over 300 unique part numbers and over 20,000 individual parts, make parts available on-site at any time. The cabinets are transportable and possess inbuilt features for rough service deployment, including a payload lift system.

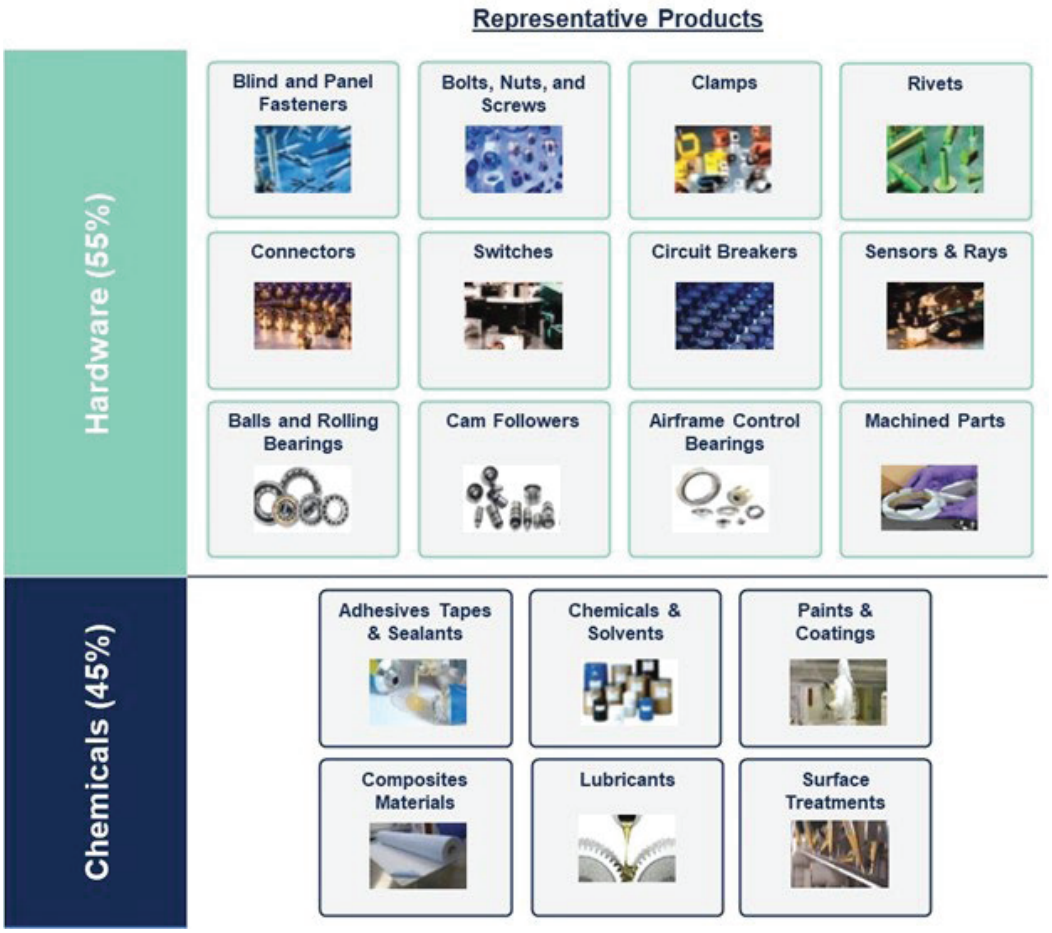


Incora also distributes to its Contract customers a variety of products used in their manufacturing and maintenance operations, including the following:

- *Fasteners:* Highly engineered aerospace parts that affix two or more components, such as rivets, bolts, screws, nuts, and washers.
- *Electrical Products:* Reliable interconnect and electro-mechanical products, including connectors, relays, switches, circuit breakers, lighted prod-

ucts, wires, and cables, as well as assembled products such as panel connectors and illuminated push-button switches. Incora offers electronic components from over 40 top manufacturers. Additionally, Incora operates a Center of Excellence for Electronics in Wichita, Kansas, offering to customers worldwide instruction on warehousing, quality management, administration, connector and lighted switch assemblies, and wire cutting and respooling.

- *Tooling:* Premium tools, specialized tooling solutions, and toolkits known for their quality and design. Incora's tooling center provides comprehensive tool management by supporting customers through the life cycle of their tools. Incora is manufacturer-authorized for sales, distribution, maintenance, and repair, and Incora employs certified technicians who carry out in-house or on-site manufacturer warranty services.
- *Bearings:* Anti-friction products, such as airframe control bearings, rod ends, spherical bearings, ball bearings, needle roller bearings, bushings, and precision bearings.
- *Machined Parts:* Customized parts designed for a specific customer, such as laser-cut or stamped brackets, milled parts, shims, stampings, turned parts, and welded assemblies. Incora partners with over 100 vetted manufacturers and machine shops to provide best practices for sourcing new materials and in-house quality testing.
- *Chemicals:* Adhesives, sealants and tapes, lubricants, oil and grease, paints and coatings, industrial gases, coolants, metalworking fluids, and cleaners and cleaning solvents. Incora's global network of chemical warehouses features temperature-controlled storage, shelf-life management, custom labeling, and barcode tracking for traceability.



Incora is an authorized distributor with contracts with most major aviation hardware manufacturers and service providers. In total, Incora offers over 600,000 stock-keeping units ("*SKUs*") of chemicals and "B-Class" and "C-class" hardware components that are used in aircraft engines, airframes, hydraulic units, actuation systems, wheels, brakes, landing gears, and exteriors. C-class components are parts that typically constitute a significant majority of the number of component SKUs used in aircraft.

b. *The ONdemand Business*

Some customers buy products directly from Incora without a contract. For ONdemand customers, Incora's in-stock inventory availability, ability to procure variable products as needed, and turnaround time are critical. Because Incora incurs significant costs to ensure that its SKUs are kept in stock to provide to ONdemand customers, its profit margins for ONdemand customers are typically higher than for Contract customers who look to Incora for broader supply chain management.

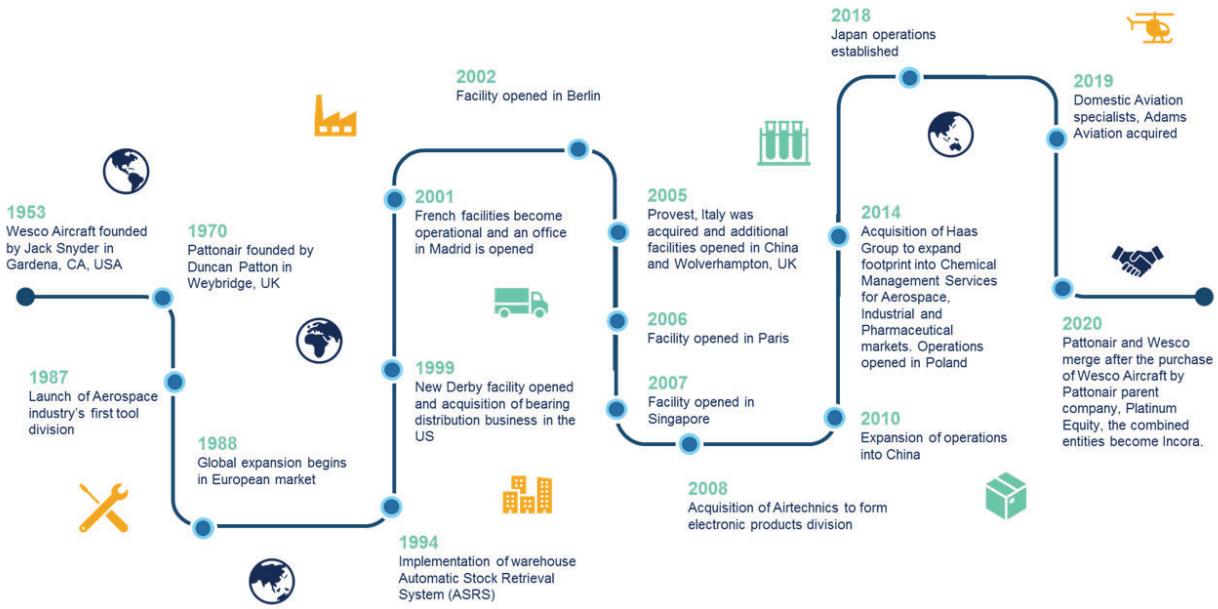
B. INCORA'S CORPORATE HISTORY

Incora was formed through a consolidation of two industry leaders, Wesco and Pattonair. Wesco was an aerospace hardware and service provider founded in 1953 in Gardena, California.

A major private equity firm purchased a majority of Wesco's stock from the company's founding family in 2006 and then sold Wesco's stock through an initial public offering in 2011. At that time, Wesco's business relied heavily on sales of C-class hardware and was attempting to transition customers toward the comprehensive supply chain management agreements that now provide most of Incora's revenue. Three years later, Wesco significantly expanded the chemical side of its business with the purchase of Haas Group, a leading provider of chemical supply chain management services, for $550 million in cash. By 2019, Wesco's business was roughly balanced between hardware and chemicals.

Pattonair was founded in 1970 in England, not far from London Heathrow Airport. Pattonair's business concentrated on providing C-class parts for civilian aircraft engines, with an especially close relationship with Rolls-Royce, a leading manufacturer in the aerospace industry. Platinum Equity (the "*Sponsor*"), an American private equity investment firm, purchased Pattonair from another private owner in 2017.

In August 2019, Wesco and the Sponsor announced that Wesco would be sold to the Sponsor. The Sponsor intended to combine Wesco with Pattonair to create a business that would benefit from complementary commercial strengths, an expanded global reach, and reduced overhead. The sale of Wesco closed in January 2020, the combined company announced its new brand name—Incora—in March 2020, and the firm opened a new global headquarters in Fort Worth, Texas, in May 2021.



C. INCORA'S CORPORATE STRUCTURE

As shown in the organizational chart attached to this Disclosure Statement as **Exhibit E**, Incora's operations are divided across numerous operating entities, due to the global nature of those operations and due to its history of business combinations. The operating entities include

Wesco Aircraft Hardware Corp. (formerly the principal operating company of Wesco) and Pattonair Ltd. (formerly the principal operating company of Pattonair). All operating companies are directly or indirectly owned by Wesco Holdings, which is the issuer of most of Incora's funded debt. Wesco Holdings is in turn owned by a chain of three holding companies: Wolverine Intermediate Holding II Corporation (a Debtor and a guarantor of most of Incora's funded debt), Wolverine Intermediate Holding Corporation ("Wolverine Intermediate Holding," a Debtor and the issuer of the PIK Notes described below), and Wolverine Top Holding Corporation (a non-Debtor).

Independent director Patrick Bartels serves on the board of directors of Wolverine Intermediate Holding.

D. INCORA'S PREPETITION CAPITAL STRUCTURE

Incora's prepetition capital structure was initially established in late 2019 and early 2020 in connection with the consolidation of Wesco and Pattonair and was later modified by the 2022 Transaction and related subsequent exchanges. A chart summarizing approximate principal amounts and accrued interest under Incora's funded debt is set forth below:

Facility	Principal and Interest Outstanding[4]	Interest Rate	Maturity Date	Collateral[5]
ABL Facility	$419,762,370	LIBOR + 1.75%	January 9, 2025	1st priority on current assets; 3rd priority on fixed assets; includes assets of Canadian and Mexican Debtors
1L Notes **(excluding New Money Unsecured Notes)**[6]	$ ~~1,394,468,210~~**1,122,663,379**	10.50%	November 15, 2026	2nd priority on current assets; 1st priority on fixed assets
2026 Notes	**$353,557,970**	**9.00%**	**November 15, 2026**	**2nd priority on current assets; 1st priority on fixed assets**

[4] ~~Amounts reflect interest accrued through the Petition Date, except that the amount shown for ABL Facility reflects a month-end principal balance as of May 31, 2023.~~

[5] **Descriptions of collateral account for the Bankruptcy Court's determinations in the 2022 Financing Adversary Proceeding to date. Distributions on account of such determinations are subject to the Appellate Adjustment Mechanism.**

[6] **The First Lien Noteholder Group reserves all rights with respect to the Bankruptcy Court's ruling in the 2022 Financing Adversary Proceeding, including the impact of such ruling on the treatment of the New Money Notes.**

Facility	Principal and Interest Outstanding[4]	Interest Rate	Maturity Date	Collateral[5]
1.25L Notes	$535,859,414	13.125%	November 15, 2027	3rd priority on current assets; 2nd priority on fixed assets[7]
Total Secured Debt	***$ ~~2,350,089,994~~2,431,843,133***			
2024 Unsecured Notes	$184,984,336	8.50%	November 15, 2024	None
~~2026 Unsecured Notes~~	~~$ 353,557,970~~	~~9.00%~~	~~November 15, 2026~~	~~None~~
2027 Unsecured Notes	$111,608,496	13.125%	November 15, 2027	None
New Money Notes	**$271,804,831**	**10.50%**	**November 15, 2026**	**None**
Total Opco Debt	***$3,000,240,796***			
PIK Notes	$157,154,969	13.75%	April 15, 2028	None; structurally subordinated
Total Debt	***$3,157,395,765***			

1. Secured Debt

a. *The Asset-Based Loan Facility*

Wesco Holdings is the borrower under an asset-based credit facility (the "*ABL Facility*") governed by a Revolving Credit Agreement, dated as of January 9, 2020, among Wolverine Intermediate Holding II Corporation as Holdings, Wesco Holdings as Ultimate Lead Borrower, Bank of America, N.A., as Administrative Agent and Collateral Agent and Swingline Lender, certain subsidiaries of Wesco Holdings, as Borrowers and Guarantors, and the Lenders and Issuing Banks party thereto (as amended to date, the "*ABL Credit Agreement*"). The ABL Facility originally provided for total loan commitments of $375 million, consisting of a $300 million U.S.-based sub-facility and a $75 million UK-based sub-facility. The ABL Facility also offered Incora the ability to obtain up to $75 million of letters of credit within the $375 million facility. On February 20, 2020, Amendment No. 1 to the ABL Credit Agreement enlarged the commitments to $475 million, consisting of $380 million under the U.S. sub-facility and $95 million under the UK sub-facility.

[7] **The First Lien Noteholder Group reserves all rights with respect to the assets subject to the lien securing the 2026 Notes.**

The maturity date for loans under the ABL Credit Agreement was originally January 9, 2025, with a springing maturity of August 16, 2024 if certain secured notes outstanding on January 9, 2020 remained outstanding as of such date.

On February 17, 2022, Amendment No. 6 modified the ABL Credit Agreement to provide for, among other things, a new tranche of loans. The new tranche consisted of commitments of $40 million, including a $27 million U.S.-based first-in last-out facility and a $13 million UK-based first-in last-out facility (collectively, the "*ABL FILO Facility*"). Other commitments were reduced by the same amount, so that the total amount of commitments under the ABL Credit Agreement remained $475 million. The maturity date for the new tranche was February 17, 2024 (*i.e.*, two years after the amendment date), and the original loans have the first right to the proceeds of collateral.

In connection with Amendment No. 6, certain of Wesco Holdings' Canadian Debtor subsidiaries, Wesco Aircraft Canada Inc. ("*Wesco Aircraft Canada"*), and Haas Group Canada Inc. (the "*Haas Group Canada*"), and a Mexican Debtor subsidiary, Haas TCM de Mexico, S. de R.L. de C.V. (together with Wesco Aircraft Canada and the Haas Group Canada, the "*Canada/Mexico Debtors*") provided secured guarantees of the obligations under the ABL Credit Agreement. Amendment No. 6 also removed the "fixed charge coverage ratio" financial covenant in the ABL Credit Agreement and replaced it with a condition that "Global Availability" be, at all times, at least $47.5 million.

Amendment No. 7 provided certain consents in connection with the 2022 Financing Transactions described below.

As of the Petition Date, approximately $419 million in principal amount of loans was outstanding under the ABL Facility, including approximately $13 million under the ABL FILO Facility. The amounts owed under the ABL FILO Facility were subsequently "amortized" into equivalent amounts that currently remain outstanding under the primary tranche of the ABL Facility. Additionally, approximately $1.6 million in letters of credit had been issued under the ABL Facility and remained outstanding.

The ABL Facility is guaranteed by each of the Debtors other than Wolverine Intermediate and Wesco Holdings, and the borrowers' and guarantors' obligations under the ABL Facility are secured by substantially all of their respective assets. Other than equity pledges from the Canada/Mexico Debtors, this collateral (the "*Shared Collateral*") also secures the obligations under the 1L Indenture and the 1.25L Indenture in accordance with the terms of the Intercreditor Agreement, as described below.

b. *The Secured Notes*

Wesco Holdings is the issuer of (a) $1.273 billion principal amount of 10.50% Senior Secured First Lien PIK Notes due November 2026 (the "*1L Notes*;" and the holders of the 1L Notes, the "*1L Noteholders*") under the indenture, dated March 28, 2022 (the "*1L Indenture*"), among Wesco Holdings, the guarantors party thereto, and Wilmington Savings Fund Society, FSB as indenture trustee and collateral agent, and (b) approximately $473 million principal amount of 13.125% Senior Secured 1.25 Lien PIK Notes due November 2027 (the "*1.25L Notes*" and,

together with the 1L Notes the "***New*** *Secured Notes*"; the holders of the 1.25L Notes, the "*1.25L Noteholders*" and, together with the 1L Noteholders, the "***New*** *Secured Noteholders*") under the indenture, dated March 28, 2022 (the "*1.25L Indenture*"), among Wesco Holdings, the guarantors party thereto, and Wilmington Savings Fund Society, FSB as indenture trustee and collateral agent.

The 1L Notes and 1.25L Notes are guaranteed by all Debtors other than Wolverine Intermediate Holding, Wesco Holdings, and the Canada/Mexico Debtors and are secured by the Shared Collateral.

The **New** Secured Notes were issued as part of the 2022 Financing Transactions: the 1L Notes in exchange for ~~then-outstanding formerly secured notes due~~ 2024 **Unsecured Notes** and 2026 **Notes** (and related accrued interest) and the 1.25L Notes in exchange for then-outstanding unsecured notes due 2027 (and related accrued interest) and a $25 million unsecured promissory note issued by Wesco Holdings to the Sponsor (the "*2023 Promissory Note*") (and related accrued interest).

Several follow-on exchanges were also completed as required by and in accordance with the 2022 Transaction: On April 8, 2022, Wesco Holdings issued approximately $12.3 million of additional 1L Notes in exchange for $11.8 million in principal amount of ~~now-unsecured notes due~~ 2026 **Notes** (and related accrued interest). Also on April 8, 2022, Wesco Holdings issued $3.1 million in principal amount of additional 1L Notes pursuant to the terms and conditions set forth in that certain notes purchase agreement. On October 27, 2022, Wesco Holdings issued approximately $5.8 million of additional 1L Notes in exchange for $5.5 million in principal amount of ~~now-unsecured notes due~~ 2024 **Unsecured Notes** and 2026 **Notes** (and related accrued interest). Finally, on April 12, 2023, Wesco Holdings issued $311,000 of additional 1L Notes in exchange for $297,840 in principal amount of ~~now-unsecured notes due~~ 2026 **Notes** (and related accrued interest).

As of the Petition Date, approximately $1.394 billion of 1L Notes and $535.8 million of 1.25L Notes are outstanding (inclusive of accrued and unpaid interest).

The 1L Notes include 1L Notes issued in exchange for $250 million in principal amount of notes issued or attempted to be issued under the Note Purchase Agreement, dated as of March 28, 2022, by and among Wesco Holdings, as issuer, and the other parties thereto (the "*New Money Notes*"). The Bankruptcy Court has determined in the 2022 Financing Adversary Proceeding that there were no additional 2026 Notes issued pursuant to the Note Purchase Agreement.

Wesco Holdings is also the issuer of $900 million of secured notes due November 15, 2026 (the "*2026 Notes*" (and collectively with the New Secured Notes, the "*Secured Notes*") and the holders of the 2026 Notes, the "*2026 Noteholders*" (and collectively with the New Secured Noteholders, (the "*Secured Noteholders*")) under the indenture among Wesco Holdings, the guarantors party thereto, and UMB Bank, n.a. as indenture trustee (the "*2026* ***Indenture***

Trustee")[8] **dated November 27, 2019 (as amended from time to time, the "*2026 Indenture*"). Like the New Secured Notes, the 2026 Notes are guaranteed by each of the Debtors other than Wolverine Intermediate Holding, Wesco Holdings, and the Canada/Mexico Debtors. As of the Petition Date, $354 million of the 2026 Notes are outstanding (inclusive of accrued and unpaid interest).**

The 2022 Financing Transactions purported to release the liens securing the 2026 Notes. The Bankruptcy Court subsequently determined in the 2022 Financing Adversary Proceeding **that such release was not effective and that the 2026 Notes remain secured.**

c. ***The Intercreditor Agreements***

Two intercreditor agreements define the relative rights of creditors under the foregoing facilities to the Shared Collateral.

The collateral agents under the ABL Credit Agreement and the 1L Indenture and the 1.25L Indenture are party to an Amended and Restated ABL Intercreditor Agreement dated as of March 28, 2022 (the "*ABL Intercreditor Agreement*"). Under the ABL Intercreditor Agreement, the lenders under the ABL Facility have superior rights to the portion of the Shared Collateral consisting of cash, accounts receivable, inventory, and certain other current assets (the "*ABL Priority Collateral*"), while the Secured Noteholders have superior rights to the portion of the Shared Collateral that primarily consists of real estate, equipment, intellectual property, and other fixed assets (the "*Secured Notes Priority Collateral*").

The indenture trustees and the collateral agents under the 1L Indenture and the 1.25L Indenture are party to a Junior Lien Intercreditor Agreement dated as of March 28, 2022, pursuant to which the 1L Noteholders have superior rights to the Shared Collateral vis-à-vis the 1.25L Noteholders.

2. Unsecured Debt

a. ***The Unsecured Notes***

Wesco Holdings is also the issuer of (a) ~~$900 million of now-unsecured notes due November 15, 2026 (the "*2026 Unsecured Notes*" and the holders thereof, the "*2026 Unsecured Noteholders*") under the indenture among Wesco Holdings, the guarantors party thereto, and UMB Bank, n.a. as indenture trustee (the "*2026 Unsecured Indenture Trustee*")[5] dated November 27, 2019 (as amended on January 9, 2020, January 28, 2020, and March 28, 2022, the "*2026 Unsecured Indenture*"), (b)~~ $650 million of now-unsecured notes due November 15, 2024 (the "*2024 Unsecured Notes*" and the holders thereof, the "*2024 Unsecured Noteholders*") under the

[8] UMB Bank, n.a. is the successor to The Bank of New York Mellon Trust Company, N.A., the Wilmington Savings Fund Society, FSB, and BOKF, NA, which each previously served as indenture trustee for both the 2026 **Notes and the 2024 Unsecured Notes.**

[5] ~~UMB Bank, n.a. is the successor to The Bank of New York Mellon Trust Company, N.A., the Wilmington Savings Fund Society, FSB, and BOKF, NA, which each previously served as indenture trustee for both the 2026 Unsecured Notes and the 2024 Unsecured Notes.~~

indenture among Wesco Holdings, the guarantors party thereto, and UMB Bank, n.a. as indenture trustee (the "*2024 Unsecured Indenture Trustee*") dated November 27, 2019 (as amended on January 9, 2020, January 28, 2020, and March 28, 2022, the "*2024 Unsecured Indenture*"), and (~~c~~b) $525 million of unsecured notes due November 15, 2027 (the "*2027 Unsecured Notes*", together with the ~~2026 Unsecured Notes, and the~~ 2024 Unsecured Notes, the "*Unsecured Notes;*" and the holders thereof, the "*2027 Unsecured Noteholders*", together with ~~the 2026 Unsecured Noteholders and~~ the 2024 Unsecured Noteholders, the "*Unsecured Noteholders*") under the indenture among Wesco Holdings, the guarantors party thereto, and BOKF, NA as indenture trustee (the "*2027 Unsecured Indenture Trustee*")[~~6~~9] dated November 27, 2019 (as amended, the "*2027 Unsecured Indenture*"). Like the Secured Notes, the Unsecured Notes are guaranteed by each of the Debtors other than Wolverine Intermediate Holding, Wesco Holdings, and the Canada/Mexico Debtors, except that the 2027 Unsecured Notes are also not guaranteed by Wolverine Intermediate Holding II Corporation. As of the Petition Date, $184 million of the 2024 Unsecured Notes~~,~~ ~~$352 million of the 2026 Unsecured Notes,~~ and $111 million of the 2027 Unsecured Notes are outstanding (inclusive of accrued and unpaid interest).

The 2024 ~~Unsecured Notes and the 2026~~ Unsecured Notes were originally secured but that security was released in connection with the 2022 Financing Transactions.

b. *The PIK Notes*

Wolverine Intermediate Holding is the issuer of $100 million of notes due April 15, 2028 (the "*PIK Notes*") under the indenture between Wolverine Intermediate Holding and Wilmington Savings Fund Society, FSB, as indenture trustee,[~~7~~10] dated as of January 9, 2020 (as amended on March 28, 2022 and April 25, 2022, the "*PIK Notes Indenture*"). As of the Petition Date, approximately $156 million in the face amount of the PIK Notes (including capitalized interest) was outstanding. Because the PIK Notes are not guaranteed by any subsidiary of Wolverine Intermediate Holding, they are structurally subordinated to the ABL Facility, the Secured Notes, the Unsecured Notes, and all other debt of Wolverine Intermediate Holding's subsidiaries.

c. *Lease Obligations*

In the ordinary course of business, the Debtors lease certain warehouses, office space, equipment, and other personal and real property. The Debtors' leases have initial terms ranging from one to twenty-five years. As of October 31, 2023, the Debtors had approximately $84 million in operating lease liabilities and less than $1 million in finance lease liabilities.

[~~6~~9] BOKF, NA is the successor to The Bank of New York Mellon Trust Company, N.A. and the Wilmington Savings Fund Society, FSB, which both previously served as indenture trustee for the 2027 Unsecured Notes.

[~~7~~10] Wilmington Savings Fund Society, FSB is the successor to The Bank of New York Mellon Trust Company, N.A., which previously services as indenture trustee for the PIK Notes.

d. *Accounts Payable and Other Accrued Liabilities*

As of the Petition Date, the Debtors had approximately $325 million in outstanding accounts payable and other accrued liabilities to various parties, such as vendors, suppliers, service providers, utility providers, and taxing authorities.

3. Accounts Receivable Financing

Wesco Holdings and three of its U.S.-based operating subsidiaries, Wesco Aircraft Hardware Corp., Pattonair USA, Inc., and Haas Group International, LLC, are also party to a receivable factoring facility provided by KARS Funding, LLC as Buyer and Katsumi Servicing, LLC as Buyer Representative dated April 9, 2021 (the "*Katsumi Factoring Facility*"). Under the Katsumi Factoring Facility, Incora may sell outstanding U.S. dollar-denominated receivables to KARS Funding, LLC in exchange for a total purchase price of up to $62 million. The Katsumi Factoring Facility is supported by cash collateral posted by Wolverine Top Holding Corp., which is the non-Debtor parent of Wolverine Intermediate Holding. Wolverine Top Holding Corp. has historically purchased certain receivables from KARS Funding.

On April 10, 2023, Katsumi Servicing informed Incora that it would not fulfill Incora's then-outstanding nominations and would cease fulfilling future nominations under the Katsumi Factoring Facility. Since then, the amount of receivables outstanding under the Katsumi Factoring Facility has steadily declined as collections have been turned over to Katsumi. Since the Petition Date, no receivables have been sold pursuant to the Katsumi Factoring Facility. The Debtors currently owe Wolverine Top Holding Corp. approximately $2.25 million on account of collections on receivables owned by Wolverine Top Holding Corp., and the Debtors believe that the amount of remaining uncollected receivables purchased under the Katsumi Factoring Facility (including receivables owned by KARS Funding and those owned by Wolverine Top Holding Corp.) is approximately $500,000.

4. Equity

Wolverine Intermediate Holding wholly owns each of the other Debtors either directly or indirectly. Wolverine Intermediate Holding is directly fully owned by the non-Debtor Wolverine Top Holding Corporation. The vast majority of the common and the preferred stock of Wolverine Top Holding Corporation is owned by certain funds controlled by the Sponsor; substantially all of the remaining stock is owned by current or former members of Incora's management team.

E. Events Leading to the Chapter 11 Filings

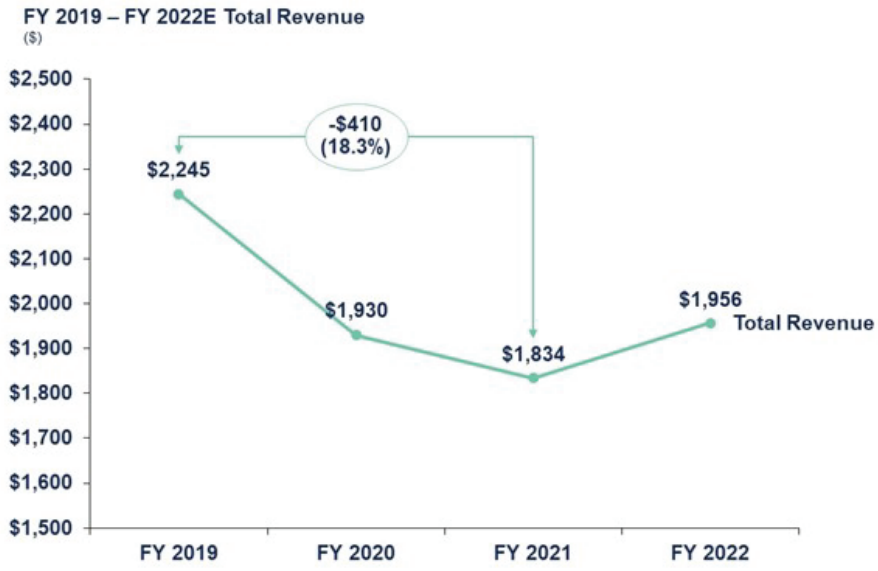
Incora's financial challenges began with the COVID-19 pandemic. The pandemic caused a significant decrease in revenue, gross margin and cash flow, and a corresponding liquidity shortfall, which Incora sought to manage through an out-of-court recapitalization. Yet, despite its success in reaching a deal that should have positioned it for growth, several unprecedented market headwinds combined in 2022 and into 2023 to make a turnaround all but impossible. Due to significant operational burdens outside its control—including supply chain dysfunction and global inflation—Incora found itself with an unsustainable capital structure. Thus, in light of the sizeable financial

obligations coming due, the board of directors of Wolverine Intermediate determined that filing the Chapter 11 Cases would be in the best interests of Incora and its stakeholders.

1. COVID-19 Causes a Significant Drop in Revenue and Gross Margin

The COVID-19 pandemic devastated the global passenger aviation industry in 2020. Approximately two-thirds of the world's passenger fleet was grounded for most of the year as governments closed their borders and passengers worried that flying was unsafe.

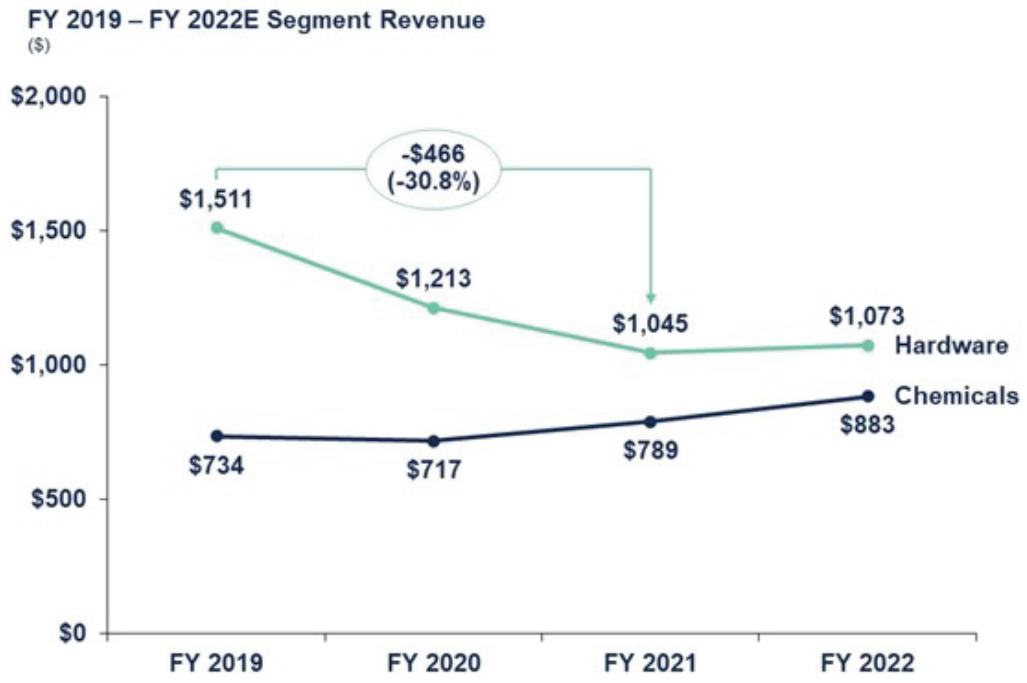
Demand for Incora's products and services is tied directly to aircraft "cycles" (typically measured by one take-off and landing) and aircraft manufacturing activity. Due to decreased flying, aircraft did not require routine maintenance as frequently as they normally would have. Incora's customers had far less work to do—especially on the wide-body planes that are most often used for international travel and contribute significantly to Incora's revenue—and therefore needed far fewer parts and chemicals from Incora. Additionally, strapped for cash, many airlines sought to economize by delaying optional maintenance and eliminating or postponing deliveries and orders of new aircraft. Passenger travel represents such a significant proportion of overall air travel that, even with strong revenue from military and cargo customers, Incora's overall revenue decreased sharply, from $2.24 billion in 2019[8][11] to $1.83 billion in 2021.



Hardware revenue, which is largely driven by activity in the commercial aviation industry, was impacted most significantly, with a decline from $1.51 billion in 2019[9][12] to $1.04 billion in 2021.

[8][11] Revenue for 2019 is presented as combined pro forma revenue for Wesco and Pattonair given the respective businesses were not combined at the time.

[9][12] Revenue for 2019 is presented as combined pro forma revenue for Wesco and Pattonair given the respective businesses were not combined at the time.

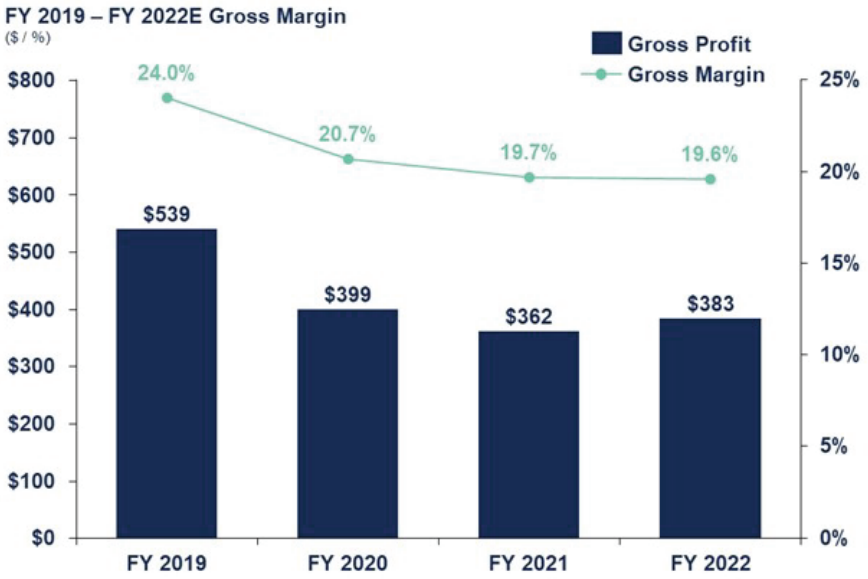


Even though both the Hardware and Chemicals businesses began to stabilize in 2022[~~10~~13] and overall revenue grew approximately 7% from $1.83 billion in 2021 to $1.96 billion in 2022, the growth was much lower than anticipated. Specifically, following the 2022 Transaction, Incora's business plan projected $2.09 billion revenue in 2022, which would have amounted to 14% revenue growth. Incora's revenue underperformance as compared with the business plan is directly related to lower actual aircraft production rates than projected by a variety of industry sources.

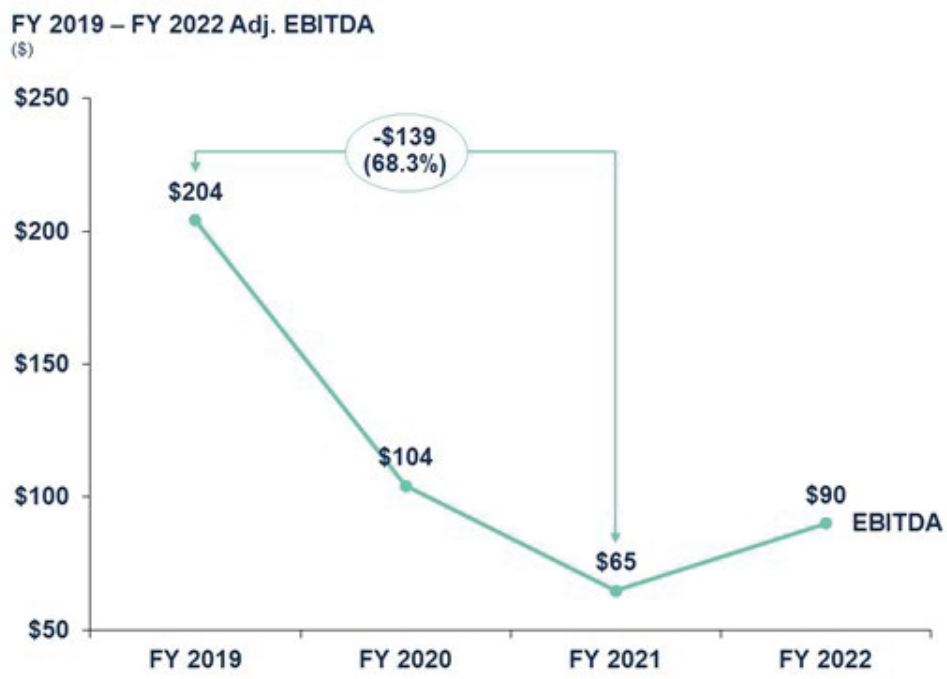
The COVID-19 pandemic also had a significant negative impact on Incora's gross margins. As discussed above, supply chain disruptions and high inflation (including inflation of inventory and internal operating costs), by creating new costs that cannot be passed on to Incora's customers, have caused Incora's gross margins to decline from 24.0% in 2019[~~11~~14] to 19.6% in 2022. Moreover, while ONdemand profit margins were historically higher than the Contract business, ONdemand revenue volume has been steadily declining in recent years as customers migrate to the Contract business, among other reasons. This shift overlapped with the COVID-19 pandemic to further strain Incora's gross margins. In 2019, ONdemand represented 18% of Incora's total revenue, whereas in 2022 it was down to only 11%. As the highest margin piece of Incora's business, the decline in ONdemand revenue has contributed to an overall decline in Incora's gross profit margins.

[~~10~~13] Overall, Chemical revenue has been strong during recent years due to a higher concentration of such revenue coming from the defense industry, which continues to remain active. From 2020 to 2022, Chemical revenue increased over $160 million.

[~~11~~14] Gross margins for 2019 are presented as combined pro forma gross margins for Wesco and Pattonair given the respective businesses were not combined at the time.



The combined impact of decreased revenue and lower gross margins resulted in a substantial decline in Incora's overall profitability, with adjusted EBITDA declining from $204 million in 2019[~~12~~15] to $65 million in 2021.



[~~12~~15] Adjusted EBITDA for 2019 is presented as combined pro forma adjusted EBITDA for Wesco and Pattonair given the respective businesses were not combined at the time.

While Incora's business began to stabilize in 2022 and adjusted EBITDA began to increase, the recent improvements have not been sufficient to support Incora's approximately $225 million in go-forward annual cash interest expense.

2. Incora Makes Efforts to Manage Liquidity and Engagement with Stakeholders

Faced with diminishing revenues, shrinking margins, declining profitability, and other operational challenges, starting in March 2020, Incora took numerous steps to preserve or generate liquidity. For example:

- One of Incora's largest customers is Rolls-Royce, the famous British manufacturer of, among other things, aircraft engines. Historically, Rolls-Royce provided 60% of Pattonair's revenue and approximately 16% of Incora's combined revenue in 2020. In October 2021, Rolls-Royce agreed to shorten its terms of trade to 15 days. (This term increased to 30 days at the beginning of 2022, reverted to 75 days in October 2022, and in March 2023 settled at 60 days with no set expiration.)
- In November 2020, the Sponsor provided $25 million in exchange for the unsecured 2023 Promissory Note.
- Throughout 2021, Incora sold approximately $120 million worth of inventory, with the total value of its inventory decreasing from $1.26 billion at the end of 2020 to $1.14 billion at the end of 2021. This reduction of inventory contributed to Incora's ability to make interest payments through the end of 2021.
- In the fourth quarter of 2021, Incora hired financial advisors to assist in, among other things, improving Incora's cash flow forecasting and working capital management.

Despite these attempts to manage liquidity, at the outset of its strategic review process in 2021, Incora found itself over-levered and suffering from a significant pandemic-driven liquidity shortfall. By the beginning of 2022, the situation was worsening as key suppliers had begun to accelerate their payment terms and even cut off supply in response to late payments by Incora. In response, Incora hired legal counsel and an investment bank to advise it with respect to its options.

With advisors in place, Incora entered discussions with its major financial creditors. Discussions with lenders under the ABL Credit Agreement resulted in Amendment No. 6, which, while not increasing the lenders' total commitments under the ABL Facility, increased the borrowing base (through the addition of new guarantors) and modified a financial covenant that allowed the debtors to avoid mandatory repayments in early 2022.

Incora also received outreach from an *ad hoc* group whose members it understood held over two-thirds of the then-secured notes due 2024 and over one-half of the then-secured notes due 2026 (the "*Majority Noteholders*"). In December 2021, the Majority Noteholders proposed a financing transaction designed to provide Incora a lifeline—a potential out-of-court restructuring that was intended to provide sufficient liquidity until the aerospace industry recovered.

In receipt of a proposal that, after further negotiation, could provide a workable liquidity solution, Incora worked diligently to advance toward a transaction. It prepared a counterproposal to the Majority Noteholders and engaged with the major holders of the 2027 Unsecured Notes and the PIK Notes, whose consents would be needed. Incora also began executing non-disclosure agreements with key parties in January 2022 and provided substantial requested diligence. In fact, committed to achieving the best outcome, over the following months Incora engaged in good-faith discussions with all of its creditor groups: (a) the Majority Noteholders, (b) the minority holders of the then-secured notes due 2024 and the then-secured notes due 2026 (the "*Minority Noteholders*"), (c) the holders of the majority of the 2027 Unsecured Notes, (d) the holder of a controlling position in the PIK Notes, (e) the majority of lenders under the ABL Credit Agreement, and (f) the provider of its receivables factoring facility. Moreover, as discussions advanced toward a transaction, Mr. Bartels was appointed to the board of directors of Wolverine Intermediate Holding to serve as an independent director. Incora sought to conclude a financing transaction quickly to address its deteriorating liquidity position.

Progress on Incora's negotiations was disrupted when the Minority Noteholders started buying notes that the Majority Noteholders had lent out to brokers through customary securities lending arrangements. Incora understood that the goal of the Minority Noteholders was to purchase sufficient notes to block a potential transaction with the Majority Noteholders. Despite this tactic, Incora entertained proposals from both the Majority Noteholders and the Minority Noteholders. It executed non-disclosure agreements with the advisors to the Minority Noteholders and provided diligence.

The board of directors, including Mr. Bartels as an independent director, carefully considered each proposal Incora received in light of all circumstances. Ultimately, the board determined that the best financing terms came from the Majority Noteholders. The Minority Noteholders' proposal was materially inferior to the Majority Noteholders' proposal in several respects, including that it did not provide nearly as much liquidity, did not provide a solution for an upcoming maturity of certain of Incora's secured notes, and carried material litigation risks given the Minority Noteholders' proposal likely would have required moving material assets out of the existing collateral package.

Accordingly, the 2022 Financing Transactions, supported by every stakeholder group referenced above other than the Minority Noteholders, closed on March 28, 2022. It involved exchanges of debt held by, among others, the Majority Noteholders, the Carlyle Group as the major then-holder of the 2027 Unsecured Notes, and the Sponsor as then-holder of the 2027 Unsecured Notes and the 2023 Promissory Note. The 2022 Financing Transactions were effectuated in several distinct but related steps, all in compliance with the then-existing indenture agreements. First, on March 28, 2022, with the consent of a simple majority of noteholders under the then-operative versions of the 2026 ~~Unsecured~~ Indenture, the 2024 Unsecured Indenture, and the 2027 Unsecured Indenture, Incora amended those indentures pursuant to supplemental indentures (the "*Third Supplemental Indentures*"), which allowed for the issuance of $250 million of additional ~~1L~~**2026** Notes. Immediately following the execution of the Third Supplemental Indentures, Incora and the Majority Noteholders executed a note purchase agreement, dated March 28, 2022 (the "*Note Purchase Agreement*"), effectuating the issuance of those additional 1L Notes for $250 million in cash, providing Incora with much needed liquidity.

~~Then, pursuant to~~**The Majority Noteholders also consented to additional supplemental indentures and to the issuance of the 1L Notes in exchange for the 2026 Notes (including those issued pursuant to the Note Purchase Agreement) and 2024 Unsecured Notes held by the Majority Noteholders. Pursuant to such** additional supplemental indentures (the "*Fourth Supplemental Indentures*"), Incora amended the 2026 ~~Unsecured~~ Indenture, the 2024 Unsecured Indenture, and the 2027 Unsecured Indenture, and the relevant security documents with the requisite consent of the noteholders under each such indenture. The amendments allowed for the exchange **together with the 1L Notes exchange consented to by the Majority Noteholders,** (the "*Exchange*") of ~~(a)~~ the ~~Majority Noteholders' previously secured notes for the 1L Notes and (b) the~~ majority unsecured noteholders' unsecured notes (including those held by the Sponsor) for the 1.25L Notes. The amendments also released the liens held by the collateral agent on behalf of the previously secured noteholders under the 2026 ~~Unsecured~~ Indenture and the 2024 Unsecured Indenture, allowed for the issuance of senior secured debt, and removed certain covenants. Immediately after execution of the Fourth Supplemental Indentures, Incora and the participating noteholders consummated the Exchange.

The pre- and post-2022 Financing Transactions capital structure is depicted in the diagram attached as Exhibit B to the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions* [Dkt. No. 13].

The 2022 Financing Transactions provided Incora with much-needed liquidity that preserved jobs and critical relationships with key customers. Those transactions also provided several other important benefits: they extended the maturities on $455 million of Incora's secured debt by two years and the maturity of the $25 million 2023 Promissory Note held by the Sponsor by four years; they significantly reduced Incora's cash interest obligations; and they allowed Incora to accrue management fees owing to the Sponsor without payment for three years (and potentially longer subject to performance thresholds). At the time of the 2022 Financing Transactions, based on the then-current market conditions, Incora projected that the recapitalization would right its business and position it for growth. **As further described below, certain aspects of the 2022 Financing Transactions have been affected by the Bankruptcy Court's oral rulings on July 10, 2024, and August 13, 2024.**

3. Incora Experiences Global Disruptions to Its Post-Transaction Business Plan

The 2022 Financing Transactions positioned Incora to recover from the effects of the COVID-19 pandemic and to turn its business around. But while Incora's financial performance has improved considerably, it has not been enough to overcome a confluence of unforeseeable events, all beyond Incora's control. Incora's management team devoted substantial time to developing a business plan to put the new liquidity to use in what appeared to be a rapidly improving commercial environment. However, Incora was beset by unpredictable and uncontrollable global market forces. Incora was beset by significant disruption in the global supply chain, critical labor shortages, and the extended closure of the Chinese markets following the COVID-19 pandemic, which further delayed the expected rebound in the aerospace industry. High inflation also put increased pressure on gross margins.

More specifically, these unforeseeable challenges can be broken down into several major categories:

- *Supply Chain Disruption Impact on Inventory Procurement:* Supply chain disruptions were one of the most significant drags on Incora's financial performance following the 2022 Financing Transactions. As in many markets, the supply of aerospace parts underwent significant disruption that increased the lead times for Incora to procure critical supplies for its customers and resulted in insufficient inventory levels of certain parts. Over the past year, Incora's shipments in arrears from suppliers, measured by the value of the shipments, increased nearly nine-fold; on-time delivery rates hovered around 50%. And, over the year preceding bankruptcy, the average lead time went from an average of 9 months to 18 months.

  These supply chain challenges were especially problematic for Incora because its role in the aerospace industry (and some of its contracts) require it to maintain substantial inventory that manufacturers and maintenance service providers can call upon at any time. Because any failure to meet its obligations could result in contract penalties and a substantial loss of business, Incora incurred additional costs to overcome these supply chain challenges, including from "gap" purchases at higher prices from other distributors, expedited freight, and increased labor costs to turn inventory faster when it arrived late. These costs were in addition to the increased time and effort Incora's personnel needed to dedicate to managing supplier relationships.

- *Inflated Inventory Pricing:* Global price inflation, particularly for raw materials that are critical inputs to aerospace parts, caused Incora's inventory costs to increase substantially following the 2022 Financing Transactions. Incora's customer contracts were largely negotiated in an environment of low inflation and industry growth and, as a result, many include long-term, fixed-price terms without inflation protection provisions. At the same time, while Incora purchases inventory to fulfill its customer contracts in a variety of ways, it often must purchase inventory at the current market price or otherwise at prices that do not reflect the pricing expectations at the time its customer contracts were negotiated. As such, Incora has been subject to increased inventory costs that it was unable to pass along to many of its customers. Additionally, many suppliers of proprietary parts exploited their position to raise prices in excess of general inflation rates. Since inflationary pressure began developing in 2019, prices for aluminum, steel, and nickel alloy—all key materials used to manufacture aerospace parts—increased 15–105% and Incora's gross margins (measured as of 2022) decreased by approximately 4.5%.

- *Lower-Than-Expected Industry Production Rates:* Following the 2022 Financing Transactions, Incora was prepared to capitalize on increased demand in the aerospace manufacturing industry. Based on optimistic production forecasts from key customers and industry consultants, Incora

invested heavily in inventory in anticipation of a strong industry recovery. But several unforeseeable factors contributed to significantly lighter-than-expected aerospace production on the part of Incora's customers. First, like Incora, Incora's customers were subject to supply chain disruption and, as a result, faced difficulties procuring manufacturing components outside Incora's purview. Without all necessary componentry, Incora's customers struggled to meet production forecasts. Second, customers faced labor shortages, which also caused production delays in many key aerospace platforms. Finally, the Chinese markets, which support significant global aviation activity and accounted for nearly half of all Asia-Pacific pre-pandemic air traffic, remained closed due to the COVID-19 pandemic much longer than anticipated due to China's strict travel policies. And finally, Boeing, one of Incora's largest sources of customer activity, experienced a shutdown in deliveries of its 787 platform for a significant part of 2022. The combined effect of these issues was that actual aerospace production rates for 2022 were significantly below the consensus industry forecasts set at the beginning of the year. Accordingly, Incora's revenue grew only approximately 7% in 2022, well below the expected 13%. Furthermore, the long lead time of many of the parts that Incora purchases necessitated placing orders in anticipation of the recovery. This, coupled with the above-described slowdown, resulted in Incora being left with an oversupply of inventory that was not converting to cash as quickly as expected.

- *Limited Ability to Manage Working Capital:* Incora was poised to capitalize on several working capital initiatives to provide additional liquidity for its continued recovery. Three such key initiatives were: (a) improving the collections of accounts receivable, (b) negotiating more favorable payment terms with suppliers, and (c) selling down inventory as industry demand increased. Collections were expected to improve in line with a general industry recovery; supplier payment terms were expected to improve as a result of Incora's rehabilitated financial position following the 2022 Financing Transactions, reversing the contraction of terms that occurred during a period of financial distress; and, as discussed above, inventory balances were expected to reduce as sales increased from a general industry recovery. However, as discussed, Incora's customers and suppliers were affected by many of the same economic impediments as Incora, which limited the effectiveness of these initiatives. Resulting changes in the statuses of accounts receivable, accounts payable, and inventory were all drains on liquidity in 2022, subverting expectations.

- *Disruption to Katsumi Factoring Facility:* On April 10, 2023, the provider of Incora's main receivable factoring facility informed Incora that it would not accept Incora's then-outstanding nominations (i.e., offers to sell specific receivables) and would not accept future nominations. The loss of this facility caused a total liquidity reduction of approximately $43 million.

All of the foregoing issues severely strained Incora's resources. Incora managed to keep its business sound and continued to be a reliable source of inventory for its customers, but it did not

generate sufficient cash to meet its existing obligations. Despite Incora's efforts, its liquidity was insufficient due to continuing cashflow issues and its leveraged capital structure. As a result, Incora would have been unable to meet its near-term obligations, including interest payments on its notes that were scheduled to become due on May 15, 2023.

4. Disgruntled Bondholders File Litigation over the 2022 Financing Transactions

Making matters worse, as Incora devoted itself to addressing and mitigating its operational challenges, certain unsecured noteholders filed suit in the Supreme Court of the State of New York against Incora and certain of its noteholders to, among other things, unwind the 2022 Financing Transactions. This action was followed by a similar action naming only Incora's noteholders and affiliates, also in the New York Supreme Court. These cases caused yet another drain on Incora's financial resources (including on account of Incora's indemnification of the parties that participated in the 2022 Transaction) and distracted its management team and key employees at a time when focus on operations and reorganization could not have been more critical.

Specifically, on October 28, 2022, a group of 2026 ~~Unsecured~~ Noteholders and 2024 Unsecured Noteholders initiated an action (the "*2026/2024 Noteholders Action*") by filing a complaint in New York Supreme Court against certain of the Debtors, certain of the Debtors' non-Debtor affiliates, and certain third parties, including certain participating noteholders and the Sponsor. The complaint alleges that the 2022 Financing Transactions violated Incora's original indentures and constituted an insider transaction that transferred value away from non-participating noteholders. The complaint seeks declarations that the 2022 Financing Transactions were not permitted under the original indentures, and asserts claims for breach of contract, breach of the implied covenant of good faith and fair dealing, tortious interference with contract, fraudulent transfer, preferential transfer, and conversion. The complaint seeks to unwind the 2022 Financing Transactions.

In January 2023, Incora and other defendants in the 2026/2024 Noteholders Action filed motions to dismiss the complaint. The plaintiffs served limited interrogatories on the defendants, and the defendants responded and served their own interrogatory demands. However, the 2026/2024 Noteholders Action is presently stayed.

On March 27, 2023, a single holder of the 2027 Unsecured Notes initiated a separate action (the "*2027 Noteholder Action*") in New York Supreme Court in connection with the 2022 Financing Transactions against certain of the Debtors' non-Debtor affiliates and the participating noteholders that previously held 2027 Unsecured Notes, including the Sponsor and the Carlyle Group. The complaint in the 2027 Noteholder Action—which was commenced nearly one year after the 2022 Financing Transactions closed—similarly seeks to unwind the 2022 Financing Transactions, alleging that the participating noteholders sought to transfer value to themselves and asserting that the 2022 Financing Transactions constituted preferential transfers and violated the applicable indenture and the implied covenant of good faith and fair dealing. Motions to dismiss the complaint were filed in the 2027 Noteholder Action on May 26, 2023, and discovery had commenced. One Debtor entity was served with a non-party subpoena in the proceeding. Incora Responded to the subpoena on May 22, 2023 and received multiple follow-up communications from the plaintiffs in that case to meet and confer regarding discovery. The 2027 Noteholder Action is presently stayed.

The 2026/2024 Noteholders Action and the 2027 Noteholder Action (together, the "*State Court Actions*") placed considerable strain on the Debtors. In connection with the 2026/2024 Noteholders Action, the Debtors and their key employees expended funds and time to preparing substantial briefing and responding to burdensome discovery. And while the Debtors were not formally named in the 2027 Noteholder Action, the Debtors were nonetheless compelled to expend considerable resources to defend their interests in that litigation as well, given that all the relevant facts in the 2027 Noteholder Action arise from the 2022 Financing Transactions and any legal conclusions reached in the 2027 Noteholder Action would directly impact the Debtors. As such, the State Court Actions diverted the Debtors' attention from working efficiently and productively toward a successful reorganization.

5. Incora Obtains DIP Financing and Files the Chapter 11 Petitions

In January 2023, facing an unfavorable economic environment and the State Court Actions, and with sizeable financial obligations looming, Incora initiated discussions about its options with certain of its stakeholders.

Incora was unable to obtain out-of-court financing sufficient to meet its immediate liquidity needs on terms consistent with its existing debt covenants. As such, Incora engaged with stakeholders across its capital structure on the terms of potential debtor-in-possession financing. Incora also solicited interest from a number of parties outside the existing capital structure to provide debtor-in-possession financing. On May 31, 2023, Incora reached an agreement on the terms of the DIP Financing with its 1L Noteholders, who committed to provide $300 million in super-priority debtor-in-possession financing.

On June 1, 2023, all 44 Debtor entities filed voluntary petitions under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (Houston Division).

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SECTION III.
EVENTS DURING THE CHAPTER 11 CASES

A. OVERVIEW OF CHAPTER 11

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. The principal goal of chapter 11 is to allow a business to reorganize its financial and operational position for the collective benefit of its creditors and other stakeholders. Another goal of chapter 11 is to promote the equality of treatment of similarly-situated creditors and equity interest holders. To advance these goals, section 362 of the Bankruptcy operates as an automatic stay of substantially all acts and proceedings against the debtor or its property, including all attempts to collect claims or to enforce liens that arose prior to the chapter 11 case. The commencement of a case also automatically creates a single "estate" comprising all of the debtor's legal and equitable interests in property, which the chapter 11 debtor is normally permitted to manage as a "debtor in possession."

Together, these provisions give a chapter 11 debtor the time and authority necessary to develop a plan of reorganization, whose consummation is the ultimate objective of a chapter 11 case. A debtor's chapter 11 plan sets forth comprehensively the terms of the debtor's reorganization, including the manner in which creditors and equity interest holders will receive assets of the debtor, new interests in the reorganized debtor, or both. Confirmation of a plan by the bankruptcy court makes the plan binding upon the debtor, any entity that issues securities under the plan, any entity that acquires property under the plan, and any creditor or equity security holder of the debtor. Subject to certain limited exceptions (and the terms of the plan), the order confirming the plan substitutes the obligations specified under the plan for any debts that arose prior to the date of confirmation and discharges the debtor from any such debts.

Certain holders of claims against, or interests in, a debtor are permitted to vote to accept or reject the plan. Prior to soliciting acceptances of the proposed plan, sections 1125(a) and 1126(b) of the Bankruptcy Code require a plan proponent to prepare and distribute a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment whether to accept or reject the plan. When the disclosure statement is disseminated after a chapter 11 case has commenced, it must first be approved by the bankruptcy court as containing adequate information.

B. FIRST-DAY RELIEF

On the Petition Date, the Debtors filed several "first day" motions seeking relief that would facilitate a smooth transition into operating their businesses in the ordinary course throughout the chapter 11 process. The Bankruptcy Court granted substantially all the relief sought by the Debtors, including, among other relief, the following:

- orders authorizing the Debtors to maintain their existing cash management system [Dkt. Nos. 122, 374];
- an order prohibiting utility companies from discontinuing service, and approving steps proposed by the Debtors to adequately assure payments for post-petition service [Dkt. No. 118];

- an order authorizing the Debtors to maintain their existing insurance and surety programs [Dkt. No. 127];
- an order authorizing the Debtors to pay certain taxes and fees [Dkt. No. 116];
- an order authorizing the Debtors to pay certain prepetition compensation and benefit obligations to employees [Dkt. No. 117];
- orders authorizing the Debtors to pay prepetition claims held by certain trade creditors, including critical vendors [Dkt. No. 128];
- an order authorizing the Debtors to maintain certain customer programs [Dkt. No. 120];
- orders authorizing the Debtors to obtain postpetition financing (further described in the next section) and to use cash collateral [Dkt. Nos. 139, 396];
- an order authorizing the Debtors to retain and compensate certain professionals utilized in the ordinary course of business [Dkt. No. 607];

Pursuant to these orders, the Debtors have paid over $150 million in ordinary course prepetition claims to certain critical and non-U.S. vendors, as well as over $45 million on account of vendor claims that are subject to possessory liens or subject to priority under section 503(b)(9) of the Bankruptcy Code.

C. POSTPETITION FINANCING

On July 10, 2023, the Bankruptcy Court entered an order (the "*Final DIP Order*") approving the Debtors' $300 million post-petition financing (the "*DIP Financing*") on a final basis. As approved, the DIP Financing has ensured that the Debtors can bring critical vendors current, pay their ongoing operating expenses, and finance the administration of the Chapter 11 Cases.

The DIP Financing is structured as 9-month secured notes (the "*DIP Notes*"). The DIP Notes bear interest at a rate of SOFR plus 8.50% *per annum* (with a 4.0% SOFR floor) and may be prepaid at any time subject to a 3.00% exit fee on the amount prepaid or redeemed. The DIP Financing is secured by substantially all assets of the Debtors, including the Shared Collateral. As to the Shared Collateral that constitutes ABL Priority Collateral, the DIP Notes are junior in lien priority to the ABL Facility but senior to the Secured Notes.

As a condition to obtaining the DIP Financing, the Debtors agreed to comply with certain milestones, of which the following remained outstanding immediately following approval of this Disclosure Statement:

- By no later than 10 calendar days after entry of the order approving a disclosure statement, the Debtors shall have commenced solicitation of an Acceptable Plan of Reorganization.[~~13~~16]
- By no later than 180 calendar days after the Petition Date (a milestone that has been extended through February 27, 2024), the Bankruptcy Court shall have entered an order confirming an Acceptable Plan of Reorganization.
- By no later than 15 calendar days after entry of such a confirmation order, the effective date for an Acceptable Plan of Reorganization shall have occurred.

The Final DIP Order also reflects an agreement between the Debtors and their prepetition secured creditors regarding the consensual use of cash collateral and the terms of adequate protection to be provided to them. Among other things, such prepetition secured creditors have received (a) replacement liens; (b) an administrative expense claim for diminution in the value of their security interests; (c) payment of reasonable and documented fees and expenses, and (d) with respect to the lenders under the ABL Facility, continuing compliance with a financial covenant relating to the ABL Facility's borrowing base.

D. Other Procedural and Administrative Motions

The Debtors also filed various motions subsequent to the Petition Date to further facilitate the smooth and efficient administration of the Chapter 11 Cases and reduce the administrative burdens associated therewith, including the following:

- a motion, which the Bankruptcy Court granted, seeking authority to establish procedures for the retention and compensation of certain professionals utilized by the Debtors in the ordinary course operations of their businesses [Dkt. Nos. 422, 607], of which over 56 have subsequently filed declarations regarding their retention by the Debtors;
- a motion, which the Bankruptcy Court granted, seeking authority to enter into and implement key employee performance programs [Dkt. Nos. 502, 713];

[~~13~~16] As set forth in the Final DIP Order, an "*Acceptable Plan of Reorganization*" means "a Chapter 11 Plan for each of the Debtors that, upon the consummation thereof, provides for (a) the termination of all unused Commitments and the indefeasible payment in full of all Obligations in Cash and (b) the indefeasible payment in full of all allowed Prepetition 1L Notes Obligations in Cash (other than contingent indemnity obligations, which shall, to the extent allowed, survive implementation of such Chapter 11 Plan) or such other treatment of the Prepetition 1L Notes Obligations as is agreed to by the holders of at least 66⅔% of the aggregate principal amount of Prepetition 1L Notes."

- a motion, which the Bankruptcy Court granted, seeking authority to establish procedures for interim compensation and reimbursement of expenses for professionals [Dkt. Nos. 421, 606];
- a motion, which the Bankruptcy Court granted, seeking an extension of time for the Debtors to assume or reject unexpired leases of nonresidential real property [Dkt. Nos. 769, ~~776~~**848**];
- a motion, which the Bankruptcy Court granted, seeking to establish the bar dates for filing proofs of claim, the form of proofs of claim, the manner of filing, and the bar date notice [Dkt. Nos. 605, 750]; and
- several retention applications, which the Bankruptcy Court granted, seeking authority to retain various professionals to assist the Debtors in carrying out their duties under the Bankruptcy Code during the Chapter 11 Cases. These professionals include (i) Alvarez & Marsal North America, LLC, as financial advisor; (ii) PJT Partners LP, as investment banker; (iii) Milbank LLP, as counsel to the Debtors; (iv) PwC US Tax LLP, as tax advisor; and (v) Quinn Emanuel Urquhart & Sullivan, LLP ("*Quinn Emanuel*") as special litigation and conflicts counsel. The Bankruptcy Court has entered orders authorizing the retention of certain of these professionals [Dkt. Nos. 481 (A&M), 482 (PJT), 484 (Milbank), **672 (Haynes and Boone)** 790 (PwC), 664 (Quinn Emanuel)]. In connection with such retention, the Debtors filed a motion to establish procedures for the interim compensation and reimbursement of expenses of chapter 11 professionals, which the Bankruptcy Court granted on August 8, 2023 [Dkt. Nos. 421, 606]. The Debtors reserve the right to seek to retain additional professionals.

E. Appointment of Creditors' Committee

On June 16, 2023, the U.S. Trustee appointed the Official Committee of Unsecured Creditors, pursuant to section 1102 of the Bankruptcy Code, to represent the interests of unsecured creditors. The members of the Committee are BOKF, NA, in its capacity as 2027 Unsecured Indenture Trustee, Parker Hannifin Corporation, and Insight2Profit. The Committee subsequently retained Morrison & Foerster LLP and McDermott Will & Emery LLP as its legal counsel, Province, LLC as its financial advisor, and Piper Sandler & Co. as its investment banker.

F. Claims Processing and Reconciliation

On August 7, 2023, the Debtors each filed their schedules of assets and liabilities and statements of financial affairs (the "*Schedules and Statements*"). Among other things, these filings detail all known claims against the Debtors.

Subsequently, the Bankruptcy Court entered an order [Dkt. No. 750] (the "*Bar Date Order*") approving (a) October 11, 2023, at 5:00 p.m. (CDT) as the deadline for all ostensible creditors other than governmental units to file proofs of claim and (b) November 28, 2023, at 5:00 p.m. (CST) as the deadline for all governmental units to file proofs of claim. (Later deadlines may

apply to parties in interest in specific, exceptional circumstances. Consult the Bar Date Order for further information.)

As of October 11, 2023, at 5:00 p.m. (CDT), approximately 1,800 proofs of claim had been filed. The Debtors and their advisors are reviewing all such claims, and expect to file objections to many of them.

G. Contract Re-Negotiation

As outlined in the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions* [Dkt. No. 13], one of the objectives of the Debtors' Chapter 11 process was to bring unprofitable customer contracts in line with current economic and commercial reality. The Debtors began the process of renegotiating customer contracts prior to the Chapter 11 filing; however, the progress was limited since the Debtors lacked leverage to renegotiate unprofitable contracts in the middle of their terms. The Chapter 11 process has provided the Debtors the opportunity to accelerate customer contract renegotiations through the threat of contract rejection.

Since the beginning of the Debtors' repricing efforts, the Debtors have completed 106 customer contract renegotiations, which are expected to generate more than $118 million in annualized profitability for the Debtors to offset the impact of inflation on fixed price contracts.[~~14~~17] The Debtors expect to complete at least 16 more such renegotiations through emergence from Chapter 11 which are expected to generate an additional $19 million in annualized profitability.

The threat of contract rejection has proven a valuable tool for engaging customers in productive negotiations. To date, the Debtors have sought to reject only four burdensome customer contracts, of which the most significant is the principal contract with Gulfstream Aerospace Corporation (Dkt. No. 1057). As of the filing of this Disclosure Statement, that motion is the subject of a limited objection on the part of Gulfstream (Dkt. No. 1147).

H. ~~Continuation of the~~The Financing Litigation[~~15~~18]

Prior to the Petition Date, the Debtors were aware of the State Court Actions challenging aspects of the 2022 Financing Transactions. On the Petition Date, the Debtors initiated an adversary proceeding captioned as *Wesco Aircraft Holdings, Inc. et al. v. SSD Investments Ltd. et al.*,

[~~14~~17] The revenue improvements from contract renegotiations is not expected to correspond dollar for dollar to "bottom line" improvements to EBITDA, as a portion of the benefit is applied as an offset to inflation. *Cf.* Ex. B, Financial Projections.

[~~15~~18] "*Financing Litigation*" means any **litigation (including appeals) in connection with any** Cause of Action arising out of or related to (a) the facts and circumstances alleged in any complaint filed in the 2022 Financing State Court Litigation, including all Causes of Action alleged therein; (b) the facts and circumstances alleged in any complaint, counterclaim, or crossclaim filed in the 2022 Financing Adversary Proceeding, including all Causes of Action alleged therein; (c) the Standing Motions, including all Causes of Action alleged therein; (d) the 2022 Financing Transactions, including: (i) the facts and circumstances related to the negotiation of and entry into the 1L Indenture or the 1.25L Indenture and any related transactions or agreements, including any related amendments to the Unsecured Notes Indentures**, the 2026 Indenture,** or the security or collateral documents related thereto;

Adv. Pro. No. 23-03091 (MI) (Bankr. S.D. Tex. June 1, 2023) (the "*2022 Financing Adversary Proceeding*") seeking an order declaring that the automatic stay applied to the State Court Actions during the pendency of the Chapter 11 Cases. Thereafter, the Debtors filed an amended complaint in the 2022 Financing Adversary Proceeding seeking the Bankruptcy Court's determinations concerning certain of the legal issues raised in the State Court Actions, including the validity of the 2022 Financing Transactions. The defendants in the 2022 Financing Adversary Proceeding each filed counterclaims naming the Debtors and various non-Debtor defendants. The parties to the 2022 Financing Adversary Proceeding agreed to stipulate that each of the State Court Actions is stayed pending the Bankruptcy Court's determinations concerning the merits of the 2022 Financing Transactions. The parties' agreed stipulation to stay the State Court Actions will consolidate in the Bankruptcy Court all determinations of liability with respect to the 2022 Financing Transactions.

The Debtors, certain 2026 ~~Unsecured~~ Noteholders and 2024 Unsecured Noteholders, Langur Maize, and certain non-Debtor counterclaim defendants ~~are~~ engaged in ~~continuing~~ litigation in the 2022 Financing Adversary Proceeding concerning the merits of the 2022 Financing Transactions. The ~~causes of action alleged against the Debtors include~~**relief sought included** declaratory judgment for breach of contract, declaratory judgment for breach of the implied covenant of good faith and fair dealing, ~~declaratory judgment for direct standing to prosecute certain claims against the Debtors, and~~**and an** equitable lien. A hearing on the parties' motions for summary judgment or judgment on the pleadings was conducted on October 11, 2023~~, and remains under advisement. Absent a dispositive order on all issues, a trial on any remaining issues is anticipated in early 2024. Discovery is underway and continuing.~~**.**

On July 10, 2024, the Bankruptcy Court issued an oral ruling in the 2022 Financing Adversary Proceeding **(the "*Court's Ruling*"), whereby the Court determined that the rights, liens, and interests that were for the benefit of all the 2026 Noteholders (but not the 2024 Noteholders) remained in full force and effect following the 2022 Financing Transaction. On August 13, 2024, the Bankruptcy Court clarified that, under the Court's Ruling, the 2022 Financing Transactions did not result in the issuance of additional 2026 Notes. The**

(ii) any consents provided in connection with any amendments, supplements or waivers with respect to the 2024 **Unsecured** Notes, the 2026 Notes, the 2027 **Unsecured** Notes, the Unsecured Notes Indentures**, the 2026 Indenture,** or related documents; (iii) the issuance of additional notes under the 2026 ~~Unsecured~~ Indenture; or (iv) the purchase or exchange of any "Obligations" under, and as defined in, the Unsecured Notes Indentures **and/or the 2026 Indenture (as applicable)** through the 2022 Financing Transactions; and/or (e) any associated documentation or transactions related to the foregoing.

"*2022 Financing State Court Litigation*" means the proceedings in New York Supreme Court (New York County) captioned (a) *SSD Investments Ltd. et al. v. Wilmington Savings Fund Society, FSB et al.*, Index No. 654068/2022, and (b) *Langur Maize, L.L.C. v. Platinum Equity Advisors, LLC, et al.*, Index No. 651548/2023.

"*Standing Motions*" means (a) the *Motion for Entry of An Order Granting Langur Maize, L.L.C. Standing to Pursue Fraudulent Transfer and Preference Claims* [Dkt. No. 650]; (b) the *Amended and Supplemental Motion of the 2024/2026 Holders (I) Confirming Direct Standing to Pursue Certain Claims and Remedies or, in the Alternative, (II) for Derivative Standing to Pursue Such Claims and Remedies and for Exclusive Settlement Authority* [Dkt. No. 652]; (c) the *Omnibus (I) Motion of the Official Committee of Unsecured Creditors for Exclusive Leave, Standing, and Authority to Prosecute and Settle Certain Claims, Causes of Action, and Claim Objections on Behalf of the Debtors' Estates and (II) Claim Objection* [Dkt. No. 994]; and (d) any other motion filed at any time in the Chapter 11 Cases (including in any adversary proceeding) seeking standing to pursue claims or remedies on behalf of the Debtors' Estates.

distributions to Classes 4 and 6 reflect the Court's Ruling on the secured or unsecured status of the 2026 Notes and the New Money Notes, which is subject to a Final Order in the Appellate Litigation. In light of the preservation of appellate rights with respect to the 2022 Financing Adversary Proceeding, which may result in a different outcome regarding the secured or unsecured status of the 2026 Notes Claims, the 2024 Notes Claims, or the New Money Notes that differs from the Court's Ruling, the Modified Second Amended Plan will include the Appellate Adjustment Mechanism, which, upon final resolution of the Appellate Litigation, will provide for the adjustment of allocations of the relative amounts of New Common Equity and New Takeback Notes received by the **holders of 2026 Notes Claims, 2024 Notes Claims, or New Money Notes (as applicable) to reflect the ultimate status of such claims as secured or unsecured consistent with the differing treatment of secured and unsecured claims under the Modified Second Amended Plan. To facilitate the implementation of the Appellate Adjustment Mechanism, both the New Common Equity and the New Takeback Notes may be issued in multiple classes or tranches.**

Furthermore, because only the secured status of the 2026 Notes Claims and the New Money Notes were affected by the Court's Ruling, only two groups of claimholders are affected by the amendments contained in the Modified Second Amended Plan (i.e., the 1L Notes Claims (Class 4) and 2026 Notes Claims (Class 6)) and holders of Allowed General Unsecured Claims**, Allowed General Unsecured Convenience Claims, and Allowed 2024 Unsecured Notes Claims will receive consideration that is economically equivalent to the consideration given to them under the Original Plan, which they previously casted votes on.**[19]

Related to the Financing Litigation, an ad hoc group of holders of 2024 Unsecured Notes and 2026 **Notes, identified at the *Amended*** *Verified Statement of the Ad Hoc Group of 2024 and 2026 Noteholders Pursuant to Bankruptcy Rule 2019* [Dkt. No. **2018] (the "2024/*2026 Noteholder Group*") filed the *Amended and Supplemental Motion of the 2024/2026 Holders (I) Confirming Direct Standing to Pursue Certain Claims and Remedies or, in the Alternative, (II) for Derivative Standing to Pursue Such Claims and Remedies for Exclusive Settlement Authority* [Dkt. 652] (the "*2024/2026 Noteholder Group Standing Motion*", through which it sought standing to prosecute certain estate claims. As discussed below, the Debtors intend to consummate a settlement of such claims pursuant to the Modified Second Amended Plan, which will moot the 2024/2026 Noteholder Group Standing Motion. As a result, no separate proceedings regarding the 2024/2026 Noteholder Group Standing Motion are planned.**

I. COMMITTEE STANDING MOTIONS

Following its appointment in June 2023, the Committee investigated potential estate claims against insiders, affiliates, and other third parties, as well as the validity, priority, and extent of liens and the existence of other unencumbered assets that could provide the basis for an unsecured creditor recovery. The Committee scrutinized the Sponsor's leveraged combination of Wesco and

[19] **The holders of Allowed 2024 Unsecured Notes Claims will also receive the 2024 Notes Distribution Rights, which may convert into additional New Takeback Notes pursuant to the Appellate Adjustment Mechanism to the extent the 2024 Unsecured Notes are finally determined to be secured.**

Pattonair, the 2022 Financing Transactions and the pending related litigation for claims that could be relevant to unsecured creditors.

This investigation culminated in the Committee's filing on November 27, 2023 of its *Omnibus (I) Motion of the Official Committee of Unsecured Creditors for Exclusive Leave, Standing, and Authority to Prosecute and Settle Certain Claims, Causes of Action, and Claim Objections on Behalf of the Debtors' Estates and (II) Claim Objection* [~~Docket~~**Dkt.** No. 994; corrected at ~~Docket~~**Dkt.** Nos. 1020 (sealed) and 1025] (as amended or supplemented from time to time, the "*Standing Motion*"). Through the Standing Motion, the Committee sought exclusive standing and authority to commence, prosecute, and settle certain **estate claims**, which primarily relate **to** debt transactions completed by the Debtors in January 2020 and March 2022. The Committee's proposed causes of action generally fall into the following five categories: (a) causes of action, including constructive fraudulent transfer, breach of fiduciary duties, and equitable subordination, seeking to challenge certain transactions and decisions relating to the merger of Wesco and Pattonair into one combined company—Incora—pursuant to a leveraged buyout closed in January 2020; (b) a constructive fraudulent transfer claim seeking to challenge payments of advisory fees to Sponsor in exchange for advisory services; (c) causes of action, including actual and constructive fraudulent transfer, insider preferential transfer, breach of fiduciary duties, aiding and abetting and knowingly participating in breach of fiduciary duties, and equitable subordination, seeking to challenge the 2022 Financing Transactions; (d) causes of action, including breach of fiduciary duties and constructive fraudulent transfer, seeking to challenge a 2022 amendment to the Debtors' ABL Facility; and (e) a claim seeking to avoid allegedly unperfected security interests on the Debtors' bank accounts, director and officer insurance policies, and commercial tort claims. The Standing Motion also seeks the disallowance of claims for applicable premium or make-whole amounts as unmatured interest and argues that any claims asserted by Carlyle or Sponsor should be disallowed unless and until they have returned certain transaction fees.

As a component of the Global Settlement, the Committee has agreed to support the Plan, including Debtor Releases that will release all claims held by the Debtors' estates, including those described in the previous paragraph. As described below, the Committee has also agreed to hold its Standing Motion in abeyance, pending a hearing on Confirmation of the Plan.

J. COMMITTEE STIPULATION AND SETTLEMENT OF ESTATE CAUSES OF ACTION

In tandem with its investigation and eventual filing of the Standing Motion, the Committee reviewed tens of thousands of pages of board materials, historical and projected financial information about the Debtors, and emails and other communications. The Committee and its professionals also engaged diligently with the Debtors and other stakeholders regarding the possibility of a consensual resolution of the Chapter 11 Cases. Specifically, during the course of its investigation and dialogue with diverse parties in interest, the Committee and the Debtors exchanged, discussed, and negotiated multiple proposals for terms of a consensual plan with the Debtors and the First Lien Noteholder Group, among others.

The Debtors' professionals and the independent director of Wolverine Intermediate Holding also reviewed extensive information regarding the merits of potential Causes of Action held by the

Debtors' estates, including those asserted by the Committee through the Standing Motion. The Debtors intended to oppose the Standing Motion, principally on the basis that the proposed Causes of Action were not colorable. Most significantly, the Debtors concluded that (a) various fraudulent conveyance claims were meritless because the participants in the applicable transactions provided reasonably equivalent value, (b) the 2022 Financing Transactions and January 2020 leveraged buy-out each fell within the "safe harbor" of section 546(e) of the Bankruptcy Code, (c) certain fiduciary duty claims were time-barred, (d) the applicable directors acted in a manner consistent with their fiduciary duties, and (e) the liens supporting the 1L Notes were validly perfected. Both before and after the filing of the Standing Motion, the Debtors' and the Committee's advisors held several discussions of the merits of various Causes of Action held by the Estates.

After carefully reviewing the information at its disposal, and obtaining a number of material concessions for unsecured creditors, the Committee determined that it could support a revised version of the Plan that incorporates the Global Settlement. Namely, the Committee has agreed to support a Plan that contains—in addition to the equity and cash recoveries described at Section IV.B.2 of this Disclosure Statement—the following terms, to be implemented in form and substance reasonably acceptable to the Committee.

- The holders of 1L Notes Claims will not receive any distributions from the Settlement Distributions on account of any deficiency claim in respect of such 1L Notes Claims.
- The holders of 1.25L Notes Claims shall not, without consent of the Committee, receive any distributions on account of such 1.25L Notes Claims, and each 1.25L Notes Claim shall be discharged on the Effective Date.
- The reasonable and documented fees and expenses incurred by BOKF, NA in connection with the Chapter 11 Cases (including the Financing Litigation and the Restructuring), whether incurred prepetition or postpetition, shall be payable in Cash on the Effective Date.
- The **Modified Second Amended** Plan (including the exculpation and release provisions therein) shall explicitly provide that, to the extent permitted by law, the Committee and its members~~, and their Retained Professionals and other professional advisors,~~ are "Exculpated Parties", "Releasing Parties" and "Released Parties" and will not be designated by the Debtors as "Excluded Parties."
- The Debtors shall waive all "preference claims" arising under section 547 of the Bankruptcy Code, section 548 of the Bankruptcy Code to the extent arising under the same facts as **an avoidance action arising under** section 547, or any state law equivalent thereof, in each case, whether asserted offensively or defensively (including in response to any Claim filed against the Debtors' Estates) against any party that does business with the Debtors or has been identified as an eligible critical vendor, in each case, as of the date of the Committee Stipulation.

- The Debtors shall make commercially reasonable efforts, prior to Confirmation, to offer full payment of critical vendor claims under the *Final Order (I) Authorizing the Payment of Prepetition Claims of Critical Vendors and Foreign Claimants, (II) Authorizing the Payment of Outstanding Orders, and (III) Granting Related Relief* [Dkt. No. 128] (the "*Critical Vendor Order*") to any person previously identified as an eligible critical vendor that has not yet executed a vendor payment agreement pursuant to the Critical Vendor Order, up to the "Payment Cap" set forth in the Critical Vendor Order as originally entered.
- The Committee may appoint, as of the Effective Date, a General Unsecured Claims Observer to monitor the Reorganized Debtors with respect to the Allowance of General Unsecured Claims and General Unsecured Convenience Claims. The General Unsecured Claims Observer shall have standing to appear before the Bankruptcy Court with respect to matters arising out of or related to reconciliation, Allowance, and settlement of any General Unsecured Claims or General Unsecured Convenience Claims, as well to assert an objection thereto on any grounds (including that any Claim should not be Allowed or should be Allowed in a reduced amount). The General Unsecured Claims Observer may employ professionals to assist in carrying out its duties, with a budget of $125,000.

The terms of the Committee's agreement to support confirmation of the Plan are memorialized in the *Stipulation Regarding (A) Corrected Omnibus (I) Motion of the Official Committee of Unsecured Creditors for Exclusive Leave, Standing, and Authority to Prosecute and Settle Certain Claims, Causes of Action, and Claim Objections on Behalf of the Debtors' Estates and (II) Claim Objection and (B) First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Dkt. No. 1191] (the "*Committee Stipulation*"). The Committee Stipulation includes a "fiduciary out" for the Committee—that is, the Committee's agreement to support the Plan cannot force the Committee to take any action, or to refrain from taking any action, that the Committee determines would constitute a breach of its fiduciary obligations to maximize value for, and take action in the best interests of unsecured creditors. The Committee made the determination to support the Global Settlement and the Plan based on the information known at the time.

The Committee has also agreed, in connection with its support for the Plan, to adjourn the deadlines that would otherwise apply to the Standing Motion. The Standing Motion will be withdrawn upon successful confirmation of the Plan; *provided*, that, prior to the occurrence of the Effective Date of the Plan, the Committee may take actions reasonably necessary to preserve its ability to pursue the Standing Motion (and the Causes of Action identified therein) in the event the Effective Date of the Plan does not occur.

As set forth in the Committee's letter detailing its support for confirmation of the Plan, absent the Plan and the Global Settlement incorporated therein, the Committee recognizes that there was a very real risk that general unsecured creditors could receive little (if any) recovery under a non-consensual Plan. The Debtors' valuation and position in the Financing Litigation, if ultimately successful, could have left unsecured creditors with no recovery. Like any high-stakes litigation, the Committee's chances of success litigating the Causes of Action in the Standing Motion—assuming standing was granted—would have been inherently uncertain and may have

taken months or years to resolve. The Financing Litigation has proven extraordinarily costly to date, spawning multiple pre- and post-petition litigations, and the expense and the time required to obtain potential recovery was taken into consideration relative to the possibility of settlement. The Committee concluded that the revised Plan puts the Debtors one step closer to emergence, which will allow the business to return to more normal operations and provide vendors and other small businesses with a recapitalized partner in the form of a restructured company.

For these reasons, the Committee believes that the terms of the revised Plan appropriately reflect the cost, delay, and other legal risks associated with continued prosecution. Moreover, in the absence of the Global Settlement, distributions to general unsecured creditors could be significantly diluted by hundreds of millions of dollars of unsecured deficiency claims of 1L Notes Claims or 1.25L Notes Claims. For the Committee, a key term of the Global Settlement is that holders of 1.25L Notes Claims (the targets of various Causes of Action in the Standing Motion) will not receive any recovery under the Plan, which consideration is being received instead by holders of General Unsecured Claims.

The Debtors agree that the Global Settlement constitutes a fair resolution of all Released Claims, including those presented by the Committee in the Standing Motion, which will deliver meaningful value to unsecured creditors while preserving substantial value for the Estates as a whole. The Debtors believe that the potential defendants to the Released Claims would have been able to present substantial defenses and the Debtors further believe that any hopes for recovery on the Released Claims should be regarded as speculative.

K. Restructuring Support Agreement

Throughout the Chapter 11 Cases, the Debtors have engaged in negotiations with key creditor groups over the terms of a plan of reorganization. Separate from and in addition to the Committee Stipulation, the Debtors have entered into a Restructuring Support Agreement with the members of the First Lien Noteholder Group and the holders of more than two-thirds in principal amount of the 1.25L Notes Claims and the Sponsor. Pursuant to the Restructuring Support Agreement, those supporting stakeholders have agreed to accept the proposed treatment of their Claims and Interests under the **Modified Second Amended** Plan, to vote in favor of the **Modified Second Amended** Plan and not opt out of the Third-Party Releases. The holder of more than two-thirds in principal amount of the 2027 Unsecured Notes Claims has also, through the Restructuring Support Agreement, agreed to support the **Modified Second Amended** Plan and to withdraw its pending motion for standing to pursue certain Causes of Action (Dkt. No. 650), but has not agreed to vote to accept the **Modified Second Amended** Plan or to accept the Third-Party Releases. The Restructuring Support Agreement also provides for the payment of a limited amount of professional fees and expenses for certain of the supporting creditors.

The members of the ~~ad hoc group of holders of 2024 Unsecured Notes and 2026 Unsecured Notes, identified at the *Verified Statement of the Ad Hoc Group of 2024 and 2026 Noteholders Pursuant to Bankruptcy Rule 2019* [Dkt. No. 263] (the "*Formerly Secured*~~**2024/2026** Noteholder Group~~"),~~ are not party to the Restructuring Support Agreement. The Debtors have not made material progress with the ~~Formerly Secured~~**2024/2026** Noteholder Group toward settlement of the Financing Litigation, and the Debtors have no expectation that the ~~Formerly Secured~~**2024/2026** Noteholder Group will support Confirmation of the **Modified Second Amended** Plan or of any

other ~~plan~~**Modified Second Amended Plan** of reorganization in the absence of a settlement of the Financing Litigation.

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SECTION IV.
SUMMARY OF MODIFIED SECOND AMENDED PLAN OF REORGANIZATION

A. NEW DEBT INSTRUMENTS AND SECURITIES

Reorganized Incora or affiliated entities will be obligated on the following debt and will issue the following equity interests upon consummation of the **Modified Second Amended** Plan:

- *The New Revolver Facility:* the new revolving facility with aggregate commitments of up to $600,000,000, in the form of an asset-based revolver to be made available to the Reorganized Debtors by one or more lenders pursuant to and subject to the terms and conditions of the New Revolver Facility Documents, and which shall be in an amount and on terms acceptable to the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders.

- *The New Exit Notes:* the new notes in the aggregate principal amount of approximately $324 million, to be issued in respect of DIP Financing Claims in accordance with the **Modified Second Amended** Plan pursuant to the terms and conditions of the New Exit Notes Documents. The New Exit Notes will have terms acceptable to the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders.

- *The New Takeback Notes:* the new notes in the aggregate principal amount of $420,000,000 to be issued in respect of **(a)** 1L **Secured** Notes Claims **and (b) 2026 Notes Claims, in each case** in accordance with the **Modified Second Amended** Plan pursuant to the terms and conditions of the New Takeback Notes Documents~~. The New Takeback Notes will~~**, which notes shall** have terms acceptable to the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders. **The New Takeback Notes may be issued in multiple tranches or classes to facilitate implementation of the Appellate Adjustment Mechanism.**

- *The New Common Equity:* the new shares of common stock, limited liability company units or similar equity interests in Reorganized Incora to be issued on or after the Effective Date. **The New Common Equity may be issued in multiple tranches or classes to facilitate implementation of the Appellate Adjustment Mechanism.**

Certain obligations that constitute Priority Non-Tax Claims or Other Secured Claims may be reinstated as obligations of the applicable Reorganized Debtors and paid in the ordinary course of business.

B. Classification and Treatment of Claims and Interests

1. Classification of Claims and Interests

a. *General Terms*

All Claims and Interests, except for those described in Article II of the **Modified Second Amended** Plan, are classified as set forth in Article III of the **Modified Second Amended** Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest also is classified in a particular Class for the purpose of receiving distributions pursuant to the **Modified Second Amended** Plan only to the extent that such Claim is an Allowed Claim or Allowed Interest, as applicable, in that Class. To the extent a specified Class does not include any Allowed Claims or Allowed Interests, as applicable, then such Class shall be eliminated from the **Modified Second Amended** Plan for purposes of voting to accept or reject the **Modified Second Amended** Plan and shall not be considered in evaluating the **Modified Second Amended** Plan's compliance with section 1129(a)(8) of the Bankruptcy Code. If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine that controversy on or before the Confirmation Date.

b. *Standards for Acceptance of a Plan*

The Bankruptcy Code defines "acceptance" of a plan by a Class of (a) Impaired Claims as acceptance by creditors that hold at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of the Allowed Claims in such Class held by creditors that cast ballots for acceptance or rejection of the **Modified Second Amended** Plan and (b) Impaired Interests as acceptance by Interest holders that hold at least two-thirds (⅔) in amount of the Allowed Interests in such Class held by holders that cast ballots for acceptance or rejection of the **Modified Second Amended** Plan. However, any Class of Claims or Interests that is Unimpaired under the **Modified Second Amended** Plan is deemed to have accepted the **Modified Second Amended** Plan and is therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan. Likewise, any Class of Claims or Interests that does not entitle the holders of such Claims or Interests to receive or retain any property under the **Modified Second Amended** Plan on account of such Claims or Interests is deemed to have rejected the Plan and is therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan.

If a Class contains Claims or Interests eligible to vote, but no holder of Claims or Interests in that Class delivers a valid and timely vote, the **Modified Second Amended** Plan shall be presumed accepted by that Class.

Pursuant to sections 1129(b) and 1129(a)(10) of the Bankruptcy Code, a plan may be confirmed despite its rejection by a Class, so long as (among other things) at least one Impaired Class of Claims accepts the plan, determined without including any acceptance of such plan by an insider. This requirement will be satisfied by acceptance of the **Modified Second Amended** Plan by one or more of the Voting Classes of Claims. Certain of the Debtors may not have holders of

Claims or Interests in particular Classes. The Debtors intend to seek Confirmation of the **Modified Second Amended** Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to each rejecting Class.

c. *Classes Under the Modified Second Amended Plan and Their Voting Rights*

Under the **Modified Second Amended** Plan, holders of Claims or Interests in Classes 4, **6,** 7a, ~~and~~ 7b**, and 7c** are the Voting Classes that are entitled to vote to accept or reject the **Modified Second Amended** Plan.

In light of the treatment set forth below ~~and~~ in Article III.B of the **Modified Second Amended** Plan, Classes 1, 2, 3, and 11 are Unimpaired and deemed to accept the **Modified Second Amended** Plan; they are therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan. Holders of Claims in Classes 5 and 8 and holders of Interests in Class 10 are due to receive or retain no property under the **Modified Second Amended** Plan on account of their Claims or Interests (as applicable); such holders are therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan. Depending on their treatment, Class 9 either is Unimpaired or is due to receive or retain no property under the Plan; in either case, it is not entitled to vote to accept or reject the **Modified Second Amended** Plan. Holders of Claims or Interests in the remaining Classes (Classes 4, **6,** 7a, ~~and~~ 7b**, and 7c**) are Impaired and are entitled to vote to accept or reject the **Modified Second Amended** Plan.

Pursuant to section 1122 of the Bankruptcy Code, the classification of Claims and Interests is summarized as follows:

Class	Claims or Interests	Impairment	Voting Rights
1	*Priority Non-Tax Claims:* Claims entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than Administrative Expenses (including DIP Financing Claims), and Priority Tax Claims.	Unimpaired	Presumed to accept
2	*Other Secured Claims:* Secured Claims, other than a Priority Tax Claim (except as set forth in Article II.F of the **Modified Second Amended** Plan), a DIP Financing Claim, an ABL Facility Claim, ~~or~~ a 1L **Notes Claim, or a 2026** Notes Claim. For the avoidance of doubt, no 1.25L Notes Claim, ~~2026 Unsecured Notes Claim,~~ 2024 Unsecured Notes Claim, 2027 Unsecured Notes Claim, or PIK Notes Claim is an "Other Secured Claim."	Unimpaired	Presumed to accept
3	*ABL Facility Claims:* Claims arising on account of the "Obligations," as defined in the ABL Credit Agreement.	Unimpaired	Presumed to accept
4	*1L Notes Claims:* Claims arising on account of the "Obligations" under the "Note Documents," each as defined in the 1L Indenture.	Impaired	**Entitled to vote in re-solicitation**

Class	Claims or Interests	Impairment	Voting Rights
5	*1.25L Notes Claims:* Claims arising on account of the "Obligations" under the "Note Documents," each as defined in the 1.25L Indenture.	Impaired	Deemed to reject
~~6a~~6	***2026 Notes Claims:*** ~~[Reserved]~~**Claims arising on account of, derived from, based upon, or arising under the 2026 Indenture or related documents (including any 2026 Secured Fees and Expenses to the extent Allowed as Secured Claims by the Bankruptcy Court.**	~~N/A~~**Impaired**	~~N/A~~**Entitled to vote in re-solicitation**
~~6b~~	~~[Reserved]~~	~~N/A~~	~~N/A~~
7a	*General Unsecured Claims:* Claims, other than Administrative Expenses, Other Secured Claims, Priority Tax Claims, Priority Non-Tax Claims, ABL Facility Claims, 1L Notes Claims, **2026 Notes Claims,** 1.25L Notes Claims, **2024 Notes Claims,** PIK Notes Claims, General Unsecured Convenience Claims, and Intercompany Claims. For the avoidance of doubt, every ~~2024 Unsecured Notes Claim, 2026 Unsecured Notes Claim and~~ 2027 Unsecured Notes Claim is a General Unsecured Claim.	Impaired	~~Entitled to vote~~**Previously voted during initial solicitation**
7b	*General Unsecured Convenience Claims:* Claims that are Allowed in an amount of $1,500,000 or less, other than Administrative Expenses, Other Secured Claims, Priority Tax Claims, Priority Non-Tax Claims, ABL Facility Claims, 1L Notes Claims, 1.25L Notes Claims, 2024 Unsecured Notes Claims, 2026 ~~Unsecured~~ Notes Claims, 2027 Unsecured Notes Claims, PIK Notes Claims, and Intercompany Claims. The Allowed amount of all Claims held by a holder and its Affiliates shall be aggregated for purposes of the foregoing calculation. Holders of Claims that are Allowed in an amount in excess of $1,500,000 that otherwise meet the foregoing criteria may opt into treatment as a General Unsecured Convenience Claim by making a ballot election to waive any Allowed amounts that are in excess of the $1,500,000 threshold.	Impaired	~~Entitled to vote~~**Previously voted during initial solicitation**
7c	***2024 Unsecured Notes Claims:*** **Claims arising on account of, derived from, based upon, or arising under the 2024 Unsecured Indenture or related documents.**	**Impaired**	**Previously voted during initial solicitation**
8	*PIK Notes Claims:* Claims against Wolverine Intermediate Holding Corporation arising on account of the PIK Notes or the PIK Notes Indenture or other related documents.	Impaired	Deemed to reject
9	*Intercompany Claims:* Claims against a Debtor held by any other Debtor.	Impaired/ Unimpaired	Deemed to reject/ presumed to accept
10	*Existing Equity Interests:* Interests other than Intercompany Interests.	Impaired	Deemed to reject

Class	Claims or Interests	Impairment	Voting Rights
11	*Intercompany Interests:* Interests in any Debtor held by another Debtor.	Unimpaired	Presumed to accept

2. Treatment of Impaired Claims

a. *1L Notes Claims (Class 4)*

The Claims in Class 4 will consist of all 1L Notes Claims, which shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 1L Notes) in the amount of not less than $1,394,468,209.68 (the aggregate principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums.

On the Effective Date, each holder of an Allowed 1L Notes Claim shall receive ~~(i)~~ its Pro Rata share of (~~A) $420,000,000 in principal amount of~~**a) (i) the Initial 1L New Takeback Notes Pool and (ii) the Initial 1L New Common Equity Pool and (b) the New Money Unsecured Notes Equity Pool, if applicable. Additionally, following the Allowance or Disallowance of all 2026 Secured Fees and Expenses, by Final Order or by settlement between the Reorganized Debtors (with the consent of the Required 1L Noteholders) and the 2024/2026 Noteholder Group, then as soon as reasonably practicable following the Effective Date, each holder of an Allowed 1L Secured Notes Claim shall also receive its Pro Rata Share of (a) the difference between the Post-Reserve 1L New Takeback Notes Pool and the Initial 1L New Takeback Notes Pool, to be issued out of the Reserved** New Takeback Notes and (~~B) 96.5% of the~~**b) the difference between the Post-Reserve 1L** New Common Equity~~, subject to dilution by any~~ **Pool and the Initial 1L** New Common Equity ~~issued in respect of the Management Incentive Plan, and (ii) the indemnification set forth under Article V.D.2.b of the Plan.~~**Pool, to be issued out of the Reserved New Common Equity.**

The receipt of the foregoing consideration shall be in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each 1L Notes Claim against each Debtor. As a component of the Global Settlement, each holder of a Claim in Class 4 shall not receive any distributions from the Settlement Distributions on account of any deficiency claim in respect of such 1L Notes Claims.

Notwithstanding the foregoing or anything else to the contrary herein, the distributions on account of each 1L Notes Claim shall be subject to the Appellate Adjustment Mechanism.

Holders of 1L Notes Claims in Class 4 are entitled to vote to accept or reject the **Modified Second Amended** Plan.

b. *1.25L Notes Claims (Class 5)*

The 1.25L Notes Claims shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 1.25L Notes) in the amount of $535,859,414.03 (the aggregate

principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums.

As a component of the Global Settlement, holders of Claims in Class 5 shall not receive any distributions on account of such 1.25L Notes Claims.

Therefore, no property will be distributed to holders of 1.25L Notes Claims. Each 1.25L Notes Claim shall be discharged on the Effective Date.

Holders of 1.25L Notes Claims are deemed to have rejected the **Modified Second Amended** Plan pursuant to section 1126(g) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the **Modified Second Amended** Plan.

~~***c. [Reserved]***~~

~~***d. [Reserved]***~~

c. ~~***e. General Unsecured***~~***2026 Notes Claims (Class*** ~~***7a***~~***6)***

~~*i. Allowance*~~

~~The 2024 Unsecured Notes Claims shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 2024 Unsecured Notes) in the amount of $184,984,336.09 (the aggregate principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums.~~

The 2026 ~~Unsecured~~ Notes Claims shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 2026 ~~Unsecured~~ Notes) in the amount of **(a)** $353,557,970.20 (the aggregate principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums~~.~~ **and (b) if the Bankruptcy Court determines at or before Confirmation that some or all of the 2026 Professionals' fees and expenses should be Allowable as secured 2026 Notes Claims, the amount of the 2026 Secured Fees and Expenses that is Allowed by the Bankruptcy Court.**

On the Effective Date, each holder of an Allowed 2026 Notes Claim shall receive its Pro Rata share of (a) the Initial 2026 New Takeback Notes Pool and (b) the Initial 2026 New Common Equity Pool. Additionally, following the Allowance or Disallowance of all 2026 Secured Fees and Expenses, by Final Order or by settlement between the Reorganized Debtors and the 2024/2026 Noteholder Group, then as soon as reasonably practicable following the Effective Date, each holder of an Allowed 2026 Notes Claim shall also receive its Pro Rata Share of (a) the difference between the Post-Reserve 2026 New Takeback Notes Pool and the Initial 2026 New Takeback Notes Pool, to be issued out of the Reserved New Takeback Notes and (b) difference between the Post-Reserve 2026 New Common Equity Pool

and the Initial 2026 New Common Equity Pool, to be issued out of the Reserved New Common Equity and the New Money Notes Equity Pool.

The receipt of the foregoing consideration shall be in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each 2026 Notes Claim against each Debtor. No holder of a Claim in Class 6 shall receive any distributions from the Settlement Distributions on account of any deficiency claim in respect of such a Claim.

Notwithstanding the foregoing or anything else to the contrary herein, the distributions on account of each 2026 Notes Claim shall be subject to the Appellate Adjustment Mechanism.

Holders of 2026 Notes Claims in Class 6 are entitled to vote to accept or reject the **Modified Second Amended Plan.**

d. ***General Unsecured Claims (Class 7a)***

The 2027 Unsecured Notes Claims shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 2027 Unsecured Notes) in the amount of $111,608,496.29 (the aggregate principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums.

Other General Unsecured Claims shall be Allowed or Disallowed in accordance with Article VI of the **Modified Second Amended** Plan.

~~ii. *Treatment and Voting*~~

On the Effective Date (or as soon thereafter as reasonably practicable in accordance with the resolution and distribution provisions set forth herein), each holder of an Allowed General Unsecured Claim shall receive its Pro Rata share **(calculated together with the Allowed 2024 Unsecured Notes Claims)** of the Settlement Equity Pool.

The receipt of the foregoing consideration shall be in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each General Unsecured Claim against each Debtor.

Holders of General Unsecured Claims are entitled to vote to accept or reject the **Modified Second Amended** Plan.

e. ~~f.~~ ***General Unsecured Convenience Claims (Class 7b)***

Except to the extent previously paid during the Chapter 11 Cases or such holder agrees to less favorable treatment (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders, not to be unreasonably withheld), each holder of an Allowed General Unsecured Convenience Claim shall receive such holder's Pro Rata share of Cash in the amount of the Settlement Cash Pool; *provided* that in no event shall any holder of General Unsecured Convenience Claims receive more than 10.00% of the Allowed amount of its General Unsecured Convenience Claim.

The receipt of the foregoing consideration shall be in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each General Unsecured Convenience Claim against each Debtor.

Holders of General Unsecured Convenience Claims are entitled to vote to accept or reject the **Modified Second Amended** Plan.

f. ***2024 Unsecured Notes Claims (Class 7c)***

The 2024 Unsecured Notes Claims shall be Allowed (against all Debtors that are obligors in respect of, including guarantors of, the 2024 Unsecured Notes) in the amount of $184,984,336.09 (the aggregate principal amount and accrued but unpaid interest thereon through the Petition Date), plus fees through the Petition Date, and shall not include any amount on account of "Applicable Premium," make-whole premium, call protection, or other similar amounts or premiums.

On the Effective Date (or as soon thereafter as reasonably practicable in accordance with the resolution and distribution provisions set forth herein), each holder of an Allowed 2024 Unsecured Notes Claim shall receive (a) its Pro Rata share (calculated together with the Allowed General Unsecured Claims) of the Settlement Equity Pool and (b) its Pro Rata share of 100% of the 2024 Notes Distribution Rights

The receipt of the foregoing consideration shall be in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each 2024 Unsecured Notes Claim against each Debtor.

Notwithstanding the foregoing or anything else to the contrary herein, the distributions on account of each 2024 Unsecured Notes Claims shall be subject to the Appellate Adjustment Mechanism.

Holders of 2024 Unsecured Notes Claims are entitled to vote to accept or reject the Modified Second Amended Plan.

g. ***PIK Notes Claims (Class 8)***

No property will be distributed to holders of PIK Notes Claims. Each PIK Notes Claim shall be released and cancelled on the Effective Date.

Holders of PIK Notes Claims are deemed to have rejected the **Modified Second Amended** Plan pursuant to section 1126(g) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the **Modified Second Amended** Plan.

3. Treatment of Unimpaired Claims and Interests

a. *Unimpaired Claims and Interests, Generally*

With the exception of Claims in Classes 4, 5, 7a, 7b, and 8 (described above), Intercompany Claims (described below), and Existing Equity Interests (described below), all other Claims and Interests will be given such treatment as to render them Unimpaired. In particular:

- *Priority Non-Tax Claims (Class 1):* Except to the extent previously paid during the Chapter 11 Cases or the holder of an Allowed Priority Non-Tax Claim and the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders, not to be unreasonably withheld) agree to less favorable treatment for such holder, each holder of an Allowed Priority Non-Tax Claim shall (a) receive from the applicable Reorganized Debtor, in full and final satisfaction of its Priority Non-Tax Claim, payment, in Cash, equal to the Allowed amount of such Claim, on the later of the Effective Date and the date when its Priority Non-Tax Claim becomes due and payable in the ordinary course or (b) be otherwise rendered Unimpaired.
- *Other Secured Claims (Class 2):* Except to the extent previously paid during the Chapter 11 Cases or the holder of an Allowed Other Secured Claim and the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders, not to be unreasonably withheld) agree to less favorable treatment for such holder, each holder of an Allowed Other Secured Claim, at the option of the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders, not to be unreasonably withheld), in full and final satisfaction of its Other Secured Claim, (a) shall receive Cash in an amount equal to the Allowed amount of its Other Secured Claim on the later of the Effective Date and the date that is 10 Business Days after the date such Other Secured Claim becomes an Allowed Claim; (b) shall receive, on the Effective Date or as soon as reasonably practicable thereafter, delivery of, or shall retain, the applicable collateral securing its Allowed Other Secured Claim up to the secured amount of such Claim pursuant to section 506(a) of the Bankruptcy Code and payment of any interest required under section 506(b) of the Bankruptcy Code; (c) shall have its Other Secured Claim Reinstated as of the Effective Date; or (d) shall receive such other treatment sufficient to render its Allowed Other Secured Claim Unimpaired.
- *ABL Facility Claims (Class 3):* Except to the extent previously paid during the Chapter 11 Cases or the holder of an ABL Facility Claim, the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders agree to less favorable treatment for such holder, on the Effective Date, each holder of an ABL Facility Claim shall receive, in full and final satisfaction of its ABL

Facility Claim, Cash in an amount equal to the Allowed amount of its ABL Facility Claim.~~16~~

- *Intercompany Claims (Class 9):* No property will be distributed to holders of Intercompany Claims. Each Intercompany Claim shall be either Reinstated or released and cancelled, as described in the Description of Restructuring Transactions, on or after the Effective Date.~~17~~**20**
- *Existing Equity Interests (Class 10):* Holders of Existing Equity Interests shall not receive any distribution or retain any property on account of their Existing Equity Interests. On the Effective Date, all Existing Equity Interests will be cancelled, released and extinguished, and will be of no further force or effect. ~~Holders of Existing Equity Interests are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.~~
- *Intercompany Interests (Class 11):* Unless otherwise provided for in the Description of Restructuring Transactions, each Intercompany Interest shall be Reinstated solely to the extent necessary to maintain the Reorganized Debtors' organizational structure.

In accordance with section 1123(a)(1) of the Bankruptcy Code, DIP Financing Claims, other Administrative Expenses and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the **Modified Second Amended** Plan.

- *General Administrative Expenses:* General Administrative Expenses are Administrative Expenses other than Retained Professional Fees, Restructuring Expenses, DIP Financing Claims, and Statutory Fees. Each holder of an Allowed General Administrative Expense, to the extent its Allowed General Administrative Expense has not already been paid during the Chapter 11 Cases, shall receive, in full and final satisfaction of its General Administrative Expense, Cash equal to the Allowed amount of such General Administrative Expense in accordance with the following: (1) if such General Administrative Expense is Allowed as of the Effective Date, on or as soon as reasonably practicable after the Effective Date (or, if not then

~~16~~ ~~The Plan proposes to Allow post-petition interest on ABL Facility Claims at the contractual non-default rate. The ABL Agent and the ABL Lenders have asserted that unimpaired treatment of the ABL Facility Claims requires payment of post-petition interest at the contractual default rate and have informed the Debtors that they intend to object to confirmation of the Plan on those grounds. If such an objection is successful, then the Debtors reserve all rights to pay default-rate interest as part of the treatment of the Allowed ABL Facility Claims or to provide such other treatment, which the Bankruptcy Court determines by Final Order, renders the ABL Facility Claims unimpaired.~~

~~17~~**20** Depending on the treatment accorded, Intercompany Claims are either Unimpaired or Impaired under the **Modified Second Amended** Plan. Holders of Intercompany Claims are conclusively presumed to have accepted or deemed to have rejected the **Modified Second Amended** Plan pursuant to section 1126(f) or 1126(g) of the Bankruptcy Code and, in either case, are not entitled to vote to accept or reject the **Modified Second Amended** Plan.

due, when such Allowed General Administrative Expense is due or as soon as reasonably practicable thereafter); (2) if such General Administrative Expense is not Allowed as of the Effective Date, no later than the first Business Day after the date that is thirty (30) calendar days after the date on which an order Allowing such General Administrative Expense becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed General Administrative Expense is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction giving rise to such Allowed General Administrative Expense without any further action by the holders of such Allowed General Administrative Expense; or (4) at such time and upon such terms as may be agreed upon by such holder and the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld**) or the Reorganized Debtors, as applicable.

Except as otherwise provided in Article II.A of the **Modified Second Amended** Plan, requests for payment of Allowed General Administrative Expenses must be filed with the Bankruptcy Court and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the General Administrative Expenses Bar Date. **Holders of General Administrative Expenses that are required to, but do not, file and serve a request for payment of such General Administrative Expenses by the General Administrative Expenses Bar Date shall be forever barred, estopped, and enjoined from asserting such General Administrative Expenses against the Debtors or their property and such General Administrative Expenses shall be deemed discharged as of the Effective Date.** Notwithstanding the foregoing, no request for payment of a General Administrative Expense need be filed with respect to a General Administrative Expense previously Allowed by Final Order of the Bankruptcy Court.

The Reorganized Debtors may settle General Administrative Expenses in the ordinary course of business without further notice and without further approval or an order of the Bankruptcy Court. The Debtors or the Reorganized Debtors, as applicable, may also choose to object to any General Administrative Expense no later than the General Administrative Expenses Objection Deadline, subject to extensions by the Bankruptcy Court or agreement in writing of the applicable parties. Unless the Debtors or the Reorganized Debtors (or other party with standing) objects to a timely filed and properly served General Administrative Expense, such General Administrative Expense will be deemed Allowed in the amount requested. In the event that the ~~Debtor~~**Debtors** or the Reorganized ~~Debtor objects~~**Debtors object** to a General Administrative Expense, the ~~parties~~**Debtors (with the consent of the Required Secured Noteholders, not to be unreasonably withheld) or the Reorganized Debtors, as applicable, and the holder of such General Administrative Expense** may

confer to try to reach a settlement and, failing that, the Bankruptcy Court will determine whether such General Administrative Expense should be Allowed and, if so, in what amount.

Notwithstanding anything to the contrary in the Plan or the DIP Orders, no General Administrative Expense shall be Allowed pursuant to section **503(b)(3)(D), 503(b)(4), 503(b)(5), or** 507(b) of the Bankruptcy Code.

- *Retained Professional Fees:* Retained Professional Fees are the accrued, contingent, and/or unpaid compensation for services rendered (including hourly, transaction, and success fees), and reimbursement for expenses incurred, by Retained Professionals, that: (a) are awardable and allowable pursuant to sections 327, 328, 329, 330, 331, 503(b)(4), and/or 1103 of the Bankruptcy Code or otherwise rendered allowable prior to the Confirmation Date; (b) have not been denied by the Bankruptcy Court by Final Order; (c) have not been previously paid (regardless of whether a fee application has been filed for any such amount); and (d) remain outstanding after applying any retainer that has been provided to such Retained Professional. To the extent that any amount of the foregoing compensation or reimbursement is denied or reduced by Final Order of the Bankruptcy Court or any other court of competent jurisdiction, that amount shall no longer constitute Retained Professional Fees. The treatment of Retained Professional Fees is described below at Section IV.B.3.d, entitled "Retained Professional Fees".

- *Restructuring Expenses:* Restructuring Expenses are the reasonable and documented fees and expenses, incurred in connection with the Chapter 11 Cases (including the Financing Litigation **Proceedings** and the Restructuring), whether incurred before, on or after the Petition Date, of (a) the professionals retained by, or on behalf of, the First Lien Noteholder Group or any member thereof, including Davis Polk & Wardwell LLP, Evercore Group, L.L.C., Porter Hedges LLP, Holwell Shuster & Goldberg LLP, and each other local or special counsel or other advisor to the First Lien Noteholder Group or any member thereof, (b) **[reserved]; (c)** the DIP Agent and the professionals retained by, or on behalf of, the DIP Agent, including Pryor Cashman LLP and one local counsel to the DIP Agent in each applicable jurisdiction, (~~c~~**d**) the 1L Indenture Trustee and the professionals retained by, or on behalf of, the 1L Indenture Trustee, including Pryor Cashman and one local counsel to the 1L Indenture Trustee in each applicable jurisdiction, (~~d~~**e**) BOKF, in its **current or former** capacities as 2024 Unsecured Indenture Trustee, 2026 ~~Unsecured~~ Indenture Trustee, and 2027 Unsecured Indenture Trustee, and ArentFox Schiff LLP in its capacity as counsel to BOKF, (~~e~~**f**) **UMB Bank n.a., in its capacities as 2024 Unsecured Indenture Trustee and 2026 Indenture Trustee, (g)** the ABL Agent and the professionals retained by, or on behalf of, the ABL Agent, including Cahill Gordon & Reindel LLP, FTI Consulting, Inc., and Norton Rose Fulbright US LLP, (~~f~~**h**) the 1.25L Indenture Trustee and the professionals retained by, or on behalf of, the 1.25L Indenture Trustee, including Pryor Cashman and one local counsel to the 1.25L Indenture

Trustee in each applicable jurisdiction, and (~~g~~i) all ~~other~~ creditor professionals **(other than those identified in the foregoing clauses)** who are entitled to payment of fees and expenses pursuant to the Restructuring Support Agreement (excluding, for the avoidance of doubt, any Retained Professionals); *provided*, **that the fees and expenses payable to the Restructuring Professionals listed in the foregoing clause (f) shall in no event exceed $150,000 in the aggregate;** ***provided, further,*** that the fees and expenses payable to the Restructuring Professionals listed in the foregoing clauses (~~f~~h) and (~~g~~i) shall be subject to the conditions and limitations set forth in the Restructuring Support Agreement~~.~~**; *provided, further*, that the termination of the Restructuring Support Agreement shall not alter, diminish, or impair the entitlement to payment or reimbursement of fees and expenses under clause (i) of this definition and Article II.B of the Modified Second Amended Plan, with respect to any party to the Restructuring Support Agreement that itself (A) has not terminated the Restructuring Support Agreement, (B) has not taken or omitted to take any action in such a manner that constitutes an uncured breach of the Restructuring Support Agreement (or would constitute such a breach had the Restructuring Support Agreement not been terminated), *provided* that, for the avoidance of doubt, participation in the negotiation of, and support for the consummation of, this Plan shall not constitute a breach of, or non-compliance with, the Restructuring Support Agreement for purposes of this Plan, and (C) in the case of the parties that have agreed to grant releases under Section 10 of the Restructuring Support Agreement, have executed a substantially identical release with respect to parties that have executed a substantially identical mutual release (*provided* that, for the avoidance of doubt, this clause (C) shall not require any party to grant a release to any party that fails for any reason to grant a substantially identical mutual release).**

- *Statutory Fees:* Statutory Fees are all fees payable pursuant to section 1930 of title 28 of the U.S. Code. All Statutory Fees due and payable prior to, and that remain unpaid as of, the Effective Date shall be paid by the applicable Debtors on the Effective Date. After the Effective Date, the Reorganized Debtors shall be jointly and severally liable to pay all Statutory Fees when due and payable. The Debtors shall file all reports due prior to the Effective Date when they become due, in a form reasonably acceptable to the U.S. Trustee. After the Effective Date, the applicable Reorganized Debtors shall file with the Bankruptcy Court quarterly reports when they become due, in a form reasonably acceptable to the U.S. Trustee. Each one of the Debtors and the Reorganized Debtors shall remain obligated to pay its own Statutory Fees to the U.S. Trustee until the earliest of that particular Debtor's case being closed, dismissed or converted to a case under Chapter 7 of the Bankruptcy Code. Nothing in the Plan shall prohibit the Reorganized Debtors (or the Disbursing Agent on behalf of the Reorganized Debtors) from paying any Statutory Fees that become due and payable.

- *DIP Financing Claims:* The DIP Financing Claims shall be Allowed in the full amount due and owing under the DIP Documents, including (a) the principal amounts outstanding on the Effective Date, (b) all interest accrued and unpaid thereon through and including the date of payment, and (c) all premiums, fees (including back-end fees and exit fees), expenses, and indemnification obligations under the DIP Documents. For the avoidance of doubt, the DIP Financing Claims shall not be subject to any avoidance, reduction, setoff, recoupment, recharacterization, subordination (equitable or contractual or otherwise), counterclaim, defense, disallowance, impairment, objection or any challenges under applicable law or regulation.

  On the Effective Date, except to the extent that the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld**) and the holder of a DIP Financing Claim agree to different treatment of such holder's Claim, each holder of an Allowed DIP Financing Claim shall receive (a) with respect to any portion thereof on account of outstanding principal and the Exit Premium (as defined in the DIP Note Purchase Agreement) due on the DIP Notes, an equivalent principal amount of New Exit Notes and (b) with respect to all other amounts (including accrued and unpaid interest on the DIP Notes), payment in full in Cash.

  From and after entry of the Confirmation Order, the Debtors or Reorganized Debtors, as applicable, shall, without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, pay in Cash all DIP Fees and Expenses (as defined in the Final DIP Order) (to the extent not previously disputed or paid during the Chapter 11 Cases) in accordance with the procedures for payment of Restructuring Expenses described in Article II.B. of the ~~Plan.~~**Modified Second Amended Plan. For the avoidance of doubt, no DIP Fees and Expenses incurred after the Effective Date in connection with the Financing Litigation Proceedings (including any Appellate Litigation) shall be payable as DIP Financing Claims.**

- *Priority Tax Claims:* Priority Tax Claims are Claims of a Governmental Unit that are entitled to priority pursuant to section 502(i) or 507(a)(8) of the Bankruptcy Code. Except to the extent that an Allowed Priority Tax Claim has not been previously paid in full or its holder and the Debtor against which it is asserted (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld**) agree to less favorable treatment for such holder, in full and final satisfaction of each Priority Tax Claim, each holder of an Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code. In the event an Allowed Priority Tax Claim is Allowed as a Secured Claim, it shall be classified and treated as an Allowed Other Secured Claim.

b. *Reservations of Rights Regarding Unimpaired Claims*

Except as otherwise specifically provided in the **Modified Second Amended** Plan, nothing in the **Modified Second Amended** Plan shall affect, diminish, or impair the Debtors' or the Reorganized Debtors' rights and defenses, both legal and equitable, with respect to any Reinstated Claim or Unimpaired Claim, including legal and equitable defenses to setoffs or recoupment against Reinstated Claims or Unimpaired Claims. Except as otherwise specifically provided in the **Modified Second Amended** Plan, nothing in the **Modified Second Amended** Plan shall be deemed to be a waiver or relinquishment of any Claim, Cause of Action, right of setoff, or other legal or equitable defense that the Debtors had immediately prior to the Petition Date against or with respect to any Claim that is Unimpaired by the **Modified Second Amended** Plan. Except as otherwise specifically provided in the **Modified Second Amended** Plan, the Debtors and the Reorganized Debtors shall have, retain, reserve, and be entitled to assert all such Claims, Causes of Action, rights of setoff, and other legal or equitable defenses that the Debtors had immediately prior to the Petition Date fully as if the Chapter 11 Cases had not been commenced, and all of the Debtors' and Reorganized Debtors' legal and equitable rights with respect to any Reinstated Claim or Claim that is Unimpaired by the **Modified Second Amended** Plan may be asserted after the Confirmation Date and the Effective Date to the same extent as if the Chapter 11 Cases had not been commenced.

c. *Restructuring Expenses*

The Debtors shall be obligated, jointly and severally, to pay all Restructuring Expenses in full in Cash, in accordance with the following procedures. No Restructuring Professional shall be required to comply with the U.S. Trustee fee guidelines or file an application seeking compensation for services or reimbursement of expenses with the Bankruptcy Court.

Any time that a Restructuring Professional seeks payment of Restructuring Expenses from the Debtors prior to Confirmation, such Restructuring Professional shall comply with the review procedures set forth in paragraph 17 of the Final DIP Order.

From and after the Confirmation Date, the Debtors or the Reorganized Debtors, as applicable, shall, without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, pay in Cash all Restructuring Expenses within ten (10) Business Days (or earlier, as provided below) after submission of an invoice to the Debtors or the Reorganized Debtors, as applicable, which may be in the same summary form permitted under the Final DIP Order but without any requirement that any Restructuring Professional comply with such review procedures.

All Restructuring Expenses incurred, or estimated in good faith to be incurred, up to and including the Effective Date shall be paid in full in Cash on the Effective Date (to the extent not previously paid during the course of the Chapter 11 Cases). The Debtors shall inform each of the Restructuring Professionals of the anticipated Effective Date at least five (5) Business Days in advance. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date and such estimates shall be delivered to the Debtors at least two (2) Business Days before the anticipated Effective Date; *provided* that such estimates shall not be considered to be admissions or limitations with respect to such Restructuring Expenses.

After the Effective Date, the Reorganized Debtors shall continue to pay, when due, pre- and post-Effective Date Restructuring Expenses, whether incurred before, on or after the Effective Date when due and payable in the ordinary course of business**; *provided* that no Restructuring Expenses incurred after the Effective Date in connection with the Financing Litigation Proceedings (including any Appellate Litigation) shall be payable by the Reorganized Debtors**.

~~The~~**Except as provided in the definition of "*Restructuring Expenses*", the** payment **or reimbursement** of Restructuring Expenses to Restructuring Professionals described in clauses (~~f~~**h**) and (~~g~~**i**) of the definition of "Restructuring Expenses" shall be subject ~~in all respects~~ to the conditions and limitations set forth in the Restructuring Support Agreement.

d. *Retained Professional Fees*

i. *Final Fee Applications*

All final requests for payment of Retained Professional Fees incurred prior to the Effective Date must be filed with the Bankruptcy Court and served on the Reorganized Debtors, the U.S. Trustee, counsel to the Committee, and all other parties that have requested notice in these Chapter 11 Cases by no later than 60 days after the Effective Date, unless the Reorganized Debtors agree otherwise in writing. Objections to Retained Professional Fees must be filed with the Bankruptcy Court and served on the Reorganized Debtors and the applicable Retained Professional within 21 days after the filing of the applicable final fee application. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and any prior orders of the Bankruptcy Court in the Chapter 11 Cases, the Allowed amounts of all Retained Professional Fees shall be determined by the Bankruptcy Court and, once approved by the Bankruptcy Court, shall be paid in full in Cash from the Professional Fee Escrow Account as promptly as practicable; *provided*, *however*, that if the funds in the Professional Fee Escrow Account are insufficient to pay the full Allowed amounts of the Retained Professional Fees, the Reorganized Debtors shall promptly pay any remaining Allowed amounts from their Cash on hand. For the avoidance of doubt, upon the Effective Date, paragraph 20 of the Final DIP Order shall not prohibit the Debtors from paying, in accordance with the **Modified Second Amended** Plan, any Allowed Retained Professional Fees.

For the avoidance of doubt, the immediately preceding paragraph shall not affect any professional that the Debtors are permitted to pay in the ordinary course of business without specific authority from the Bankruptcy Court (or in accordance with any prior order of the Bankruptcy Court). The Debtors and Reorganized Debtors may continue to make such payments after Confirmation and the Effective Date.

ii. *Professional Fee Escrow Account*

Each Retained Professional shall estimate its unpaid Retained Professional Fees, as of the Effective Date and shall deliver its estimate to the Debtors' counsel no later than three (3) Business Days before the anticipated Effective Date. A Retained Professional's estimate shall not be deemed to limit the Allowed amount of its Retained Professional Fees. If a Retained Professional does not provide an estimate, the Debtors may themselves estimate the unpaid and unbilled fees and

expenses of such Retained Professional for purposes of funding the Professional Fee Escrow Account.

On the Effective Date, the Reorganized Debtors shall fund the Professional Fee Escrow Account in an amount equal to all asserted Claims for Retained Professional Fees incurred but unpaid as of the Effective Date (including, for the avoidance of doubt, any reasonable estimates for unbilled amounts provided prior to the Effective Date). The Professional Fee Escrow Account may be an interest-bearing account. Amounts held in the Professional Fee Escrow Account shall not constitute property of the Reorganized Debtors and shall be held in trust for the benefit of the Retained Professionals until all Retained Professional Fees have been paid in full in Cash. However, if a balance remains in the Professional Fee Escrow Account after all Retained Professionals have been paid their Allowed Retained Professional Fees, any such balance shall be promptly returned to, and shall then constitute property of, the Reorganized Debtors. No liens, claims, interests, or encumbrances shall encumber the Professional Fee Escrow Account or the funds held in the Professional Fee Escrow Account.

iii. *Fees and Expenses After Confirmation*

Except as otherwise specifically provided in the **Modified Second Amended** Plan, the Debtors and the Reorganized Debtors, as applicable, shall pay, within ten (10) Business Days after submission of a detailed invoice to the Debtors or the Reorganized Debtors, as applicable, and the Consenting 1L Noteholders, such reasonable claims for compensation or reimbursement incurred by Retained Professionals from and after the Confirmation Date and prior to the Effective Date. If the Debtors or the Reorganized Debtors, as applicable, or the Required ~~Consenting~~ 1L Noteholders dispute the reasonableness of any such invoice, such disputing party or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved.

The Debtors or the Reorganized Debtors, as applicable, may, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, promptly pay in Cash the reasonable legal, professional, or other fees and expenses related to implementation of the **Modified Second Amended** Plan and Consummation incurred by the Debtors, the Reorganized Debtors, and/or the Committee on and after the Confirmation Date. Following the Confirmation Date, no professional employed or retained by the Debtors shall be required to comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after the Confirmation Date, and the Reorganized Debtors may employ and pay any professional without further notice to or action, order, or approval of the Bankruptcy Court.

Notwithstanding the foregoing, the Debtors and all payments made by the Debtors (including in respect of any payments described in Article II.C.3 of the **Modified Second Amended** Plan) prior to the Effective Date shall remain subject to the Final DIP Order in all respects; *provided*, *however*, paragraph 20 of the Final DIP Order shall not prohibit the Debtors from paying Allowed Retained Professional Fees incurred by the Committee.

4. Subordination of Claims

Except as expressly provided in the **Modified Second Amended** Plan, the Allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the **Modified Second Amended** Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Reorganized Debtors reserve the right to seek to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination that may apply.

C. Voting Classes

Any Class that does not have a Claim or an Interest, as applicable, as of the date of the Confirmation Hearing shall be deemed eliminated from the **Modified Second Amended** Plan for all purposes. If a Class is eligible to vote and no holder of Claims or Interests, as applicable, eligible to vote in such Class votes to accept or reject the **Modified Second Amended** Plan, the **Modified Second Amended** Plan shall be deemed accepted by such Class.

D. Means for Implementation of the Modified Second Amended Plan

1. Global Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the **Modified Second Amended** Plan, on the Effective Date, the provisions of the **Modified Second Amended** Plan shall constitute an arms' length and good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the **Modified Second Amended** Plan, including (a) ~~all~~**certain** Claims and Released Claims that are related to the 2022 Financing Transactions and the Financing Litigation **(subject to the Appellate Adjustment Mechanism)**, (b) Claims arising from diminution of value from collateral, (c) valuation of collateral supporting the ABL Facility, the 1L Notes and the 1.25L Notes, (d) the amount of secured and unsecured Claims arising from the 1L Notes and 1.25L Notes pursuant to section 506(a)(1) of the Bankruptcy Code, (e) rights to cash payments on account of DIP Financing Claims under section 1129(a)(9)(A) of the Bankruptcy Code, (f) all Claims on account of make-whole premiums, call protection, and similar amounts and premiums, and (g) the applicability of turnover of proceeds arising under any intercreditor agreement. All distributions made to holders of Allowed Claims and Interests in any Class in accordance with the **Modified Second Amended** Plan are intended to be, and shall be, final**, subject to the Appellate Adjustment Mechanism**. Among other things, the **Modified Second Amended** Plan provides for a global settlement among the Debtors and various creditors of the Debtors (the "*Global Settlement*"), which provides substantial value to the Debtors' Estates.

2. Sources of Consideration for Distributions

a. *Cash*

The Reorganized Debtors shall fund distributions under the **Modified Second Amended** Plan required to be paid in Cash, if any, with Cash on hand (including Cash from operations and Cash received under the DIP Financing in accordance with the DIP Documents and Cash received on the Effective Date).

b. *New Financing*

On the Effective Date, the Reorganized Debtors shall be authorized to execute, deliver, and enter into the New Debt Documents, subject to the requisite approvals, without further (a) notice to or order of the Bankruptcy Court; (b) vote, consent, authorization, or approval of any Person; or (c) action by the holders of Claims or Interests. Confirmation of the **Modified Second Amended** Plan shall be deemed approval of the New Financing and the New Debt Documents, all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into, execute, and deliver the New Debt Documents and such other documents as may be required to effectuate the treatment afforded by the New Financing.

The New Debt Documents shall constitute legal, valid, binding, and authorized joint and several obligations of the applicable Reorganized Debtors, enforceable in accordance with their respective terms, and such obligations shall not be enjoined or subject to discharge, impairment, release, avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever under applicable law, the **Modified Second Amended** Plan, or the Confirmation Order and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any other applicable non-bankruptcy law. The financial accommodations to be extended pursuant to the New Debt Documents are reasonable and are being extended, and shall be deemed to have been extended, in good faith and for legitimate business purposes.

On the Effective Date, all of the Liens to be granted in accordance with the New Debt Documents (a) shall be deemed to be approved; (b) shall be legal, binding, and enforceable Liens on the collateral granted under the respective New Debt Documents in accordance with the terms thereof; (c) shall (i) be deemed automatically perfected on the Effective Date without the need for the taking of any further filing, recordation, approval, consent, or other action, and (ii) have the priorities as set forth in the respective New Debt Documents, and be subject only to such Liens as may be permitted under the New Debt Documents; and (d) shall not be enjoined or subject to discharge, impairment, release, avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the secured parties (and their designees and agents) under such New Debt Documents shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents, and to take any other actions necessary to establish and perfect such Liens under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the **Modified**

Second Amended Plan and the Confirmation Order (it being understood that perfection of the Liens granted under the New Debt Documents shall occur automatically on the Effective Date by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents shall not be necessary or required), and the Reorganized Debtors and the secured parties (and their designees and agents) under such New Debt Documents will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens to third parties.

To the extent that any holder of a Secured Claim that has been satisfied or discharged pursuant to the **Modified Second Amended** Plan, or any agent for such holder, has filed or recorded any Liens to secure such holder's Secured Claim, then on or as soon as practicable after the Effective Date, such holder (or the agent for such holder) shall, at the Debtors' or Reorganized Debtors' sole cost and expense, take any and all steps reasonably requested by the Debtors, Reorganized Debtors, the New Notes Indenture Trustees, or the New Revolver Facility Agent that are necessary to cancel and/or extinguish such Liens (it being understood that such Liens held by holders of Secured Claims that are satisfied on the Effective Date pursuant to the **Modified Second Amended** Plan shall be automatically canceled or extinguished on the Effective Date by virtue of the entry of the Confirmation Order). To the extent any direction under any of the Prepetition Debt Documents is required to effectuate the cancellation or extinguishment of Liens described above, the Confirmation Order shall be deemed to have provided such direction and shall include language effectuating the foregoing.

All of the New Notes issued and/or distributed pursuant to the **Modified Second Amended** Plan shall be exempt from the registration requirements of Section 5 of the Securities Act ~~and any "blue sky" laws of any U.S. jurisdiction~~ pursuant to section ~~1145~~**4**(a) ~~of the Bankruptcy Code, except to the extent that the recipient is an "underwriter" within the meaning of section 1145(b) of the Bankruptcy Code~~**(2) of the Securities Act and/or the safe harbor of Regulation D promulgated thereunder**.

c. ***New Common Equity***

On the Effective Date, Reorganized Incora is authorized to issue or cause to be issued, and shall issue, the New Common Equity pursuant to and in accordance with the **Modified Second Amended** Plan, without further notice to or order of the Bankruptcy Court; act or action under applicable law, regulation, order, or rule; or the vote, consent, authorization, or approval of any Person.

The New Common Equity **issued on the Effective Date (or as soon as reasonably practicable thereafter from the Reserved New Common Equity)** shall be distributed in accordance with the treatment set forth at Article III.B of the **Modified Second Amended Plan and subject to the distribution provisions set forth in (a) Article VII.B.4 of the Modified Second Amended Plan and (b) the Appellate Adjustment Mechanism. All registered and beneficial holders of New Common Equity shall be subject to and bound by the New LLC Agreement in accordance with Article IV.C.4 of the Modified Second Amended** Plan.

All of the New Common Equity issued and/or distributed pursuant to the **Modified Second Amended** Plan shall be exempt from the registration requirements of Section 5 of the Securities

Act and any "blue sky" laws of any U.S. jurisdiction pursuant to section 1145(a) of the Bankruptcy Code, except to the extent that the recipient is an "underwriter" within the meaning of section 1145(b) of the Bankruptcy Code.

3. Effects of the Modified Second Amended Plan

a. *Organizational Existence*

Except as otherwise provided in the **Modified Second Amended** Plan, each Debtor and each of its direct and indirect subsidiaries shall continue to exist after the Effective Date as a separate corporation, limited liability company, limited partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, limited partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective bylaws, limited liability company agreement, operating agreement, limited partnership agreement (or other formation documents) in effect prior to the Effective Date, except to the extent such formation documents are amended, amended and restated, replaced or otherwise modified pursuant to the New Organizational Documents. To the extent such documents are amended, amended and restated, replaced or otherwise modified pursuant to the New Organizational Documents, such documents are deemed to be amended, amended and restated, replaced or otherwise modified pursuant to the **Modified Second Amended** Plan and require no further action or approval (other than any requisite filings required under applicable law).

b. *Vesting of Assets in the Reorganized Debtors*

Except as otherwise provided in the **Modified Second Amended** Plan, on the Effective Date, pursuant to section 1141(b) and section 1141(c) of the Bankruptcy Code, all property in any Debtor's Estate, including any property acquired by any Debtor pursuant to the **Modified Second Amended** Plan, shall vest in the applicable Reorganized Debtor and, if applicable, any Entity or Entities formed pursuant to the Restructuring Transactions to hold the assets of the Debtors, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the **Modified Second Amended** Plan, the Reorganized Debtors may operate their businesses and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without notice and without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

Notice of the **Modified Second Amended** Plan or of the Confirmation Order shall be conclusively deemed to be adequate notice that Liens, Claims, charges, or other encumbrances are being extinguished. Any Person having a Lien, Claim, charge, or other encumbrance against any of the property vested in accordance with the foregoing paragraph shall be conclusively deemed to have consented to the transfer, assignment, and vesting of such property to or in the Reorganized Debtors free and clear of all Liens, Claims, charges, or other encumbrances by failing to object to confirmation of the **Modified Second Amended** Plan, except as otherwise provided in the **Modified Second Amended** Plan.

c. *Cancellation of Loans, Securities, and Agreements*

Except as otherwise provided in the **Modified Second Amended** Plan, on the Effective Date: (a) the Prepetition Debt Documents, the Existing Equity Documents, and any other credit agreement, collateral agreement, indenture, certificate, equity security, share, note, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors or giving rise to any Claim or Interest (except such agreements, certificates, notes, or other instruments or documents evidencing any indebtedness or obligation of, or ownership interest in, the Debtors that are Reinstated, amended and restated, entered into or issued pursuant to the **Modified Second Amended** Plan) shall be deemed cancelled, released, surrendered, extinguished and discharged and of no force or effect, without any need for further action or approval of the Bankruptcy Court, the Debtors, any holder of any Claim or Interest or any other Person or Entity, and no party (including the Debtors, the Reorganized Debtors and any non-Debtor affiliates) shall have any continuing obligations or duties thereunder or in any way related thereto, which shall be deemed satisfied in full, canceled, released, discharged, and of no further force or effect; and (b) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws or certificate or articles of incorporation, or similar documents governing the shares, certificates, notes, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors (except such agreements, certificates, notes, or other instruments or documents evidencing any indebtedness or obligation of, or ownership interest in, the Debtors that are specifically Reinstated, amended and restated, entered into or issued pursuant to the **Modified Second Amended** Plan) shall be deemed satisfied in full, released, and discharged, without any need for further action or approval of the Bankruptcy Court, the Debtors, any holder of any Claim or Interest or any other Person or Entity. To the extent any direction under the Prepetition Debt Documents is required to effectuate the foregoing, the Confirmation Order shall be deemed to have provided such direction and shall include language providing therefor.

Notwithstanding such cancellation and discharge, the Prepetition Debt Documents shall continue in effect solely to the extent necessary (a) to allow the holders of Claims to receive distributions under the **Modified Second Amended** Plan; (b) to allow the Debtors, the Reorganized Debtors, and the Prepetition Agents to make or receive distributions under and in accordance with the terms of the **Modified Second Amended** Plan and to take other actions pursuant to the terms of the **Modified Second Amended** Plan on account of Claims; (c) to allow the 2026 ~~Unsecured~~ Indenture Trustee, the 2024 Unsecured Indenture Trustee, the 2027 Unsecured Indenture Trustee, the PIK Notes Indenture Trustee, the 1L Indenture Trustee, and the 1.25L Indenture Trustee to exercise their rights, claims, causes of action, and interests (including their rights, if any, to compensation and indemnification as against any money or property distributable) under the 2026 ~~Unsecured~~ Indenture, the 2024 Unsecured Indenture, the 2027 Unsecured Indenture, the PIK Notes Indenture, the 1L Indenture, and the 1.25L Indenture, respectively, against any holder of 2024 Unsecured Notes Claims, 2026 ~~Unsecured~~ Notes Claims, 2027 Unsecured Notes Claims, PIK Notes Claims, 1L Notes Claims, and 1.25L Notes Claims, respectively, to the extent consistent with the **Modified Second Amended** Plan, including to exercise charging liens; (d) to allow the Prepetition Agents to enforce any obligations owed to them under the **Modified Second Amended** Plan and the Prepetition Debt Documents; (e) to preserve all rights, remedies, indemnities, powers, and protections, including rights of enforcement, of the Prepetition Agents, as applicable, against

any person other than a Released Party; (f) to allow the Prepetition Agents to appear in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court relating to such documents in furtherance of the foregoing; and (g) with respect to the 2027 Unsecured Indenture and the 2027 Unsecured Notes, to allow for the prosecution and defense of the Langur Maize Retained Causes of Action against and recovery from the Langur Maize Excluded Parties; *provided* that any provisions regarding turnover of proceeds arising under any intercreditor agreement that constitute Prepetition Debt Documents shall be cancelled and discharged and of no force or effect; and *provided, further*, that nothing in Article IV.C.3 of the **Modified Second Amended** Plan shall affect the discharge of Claims or Interests pursuant to the **Modified Second Amended** Plan or the effectiveness of the Debtor Release or the Third-Party Release.

Except for the foregoing, upon Consummation of the **Modified Second Amended** Plan, the Prepetition Agents and each of their respective directors, officers, employees, agents, affiliates, controlling persons, and legal and financial advisors shall ~~be~~, **without any further action or approval of the Bankruptcy Court or any holders of Claims, each be automatically and fully** discharged and shall have no further obligation or liability, and shall otherwise be relieved of all further duties and responsibilities related to the foregoing documents; *provided* that any provisions of such documents that by their terms survive their termination shall survive in accordance with their terms. **As applicable, distributions made under the Modified Second Amended Plan or on account of the Allowed Claims of holders of 1L Notes Claims, 2024 Unsecured Notes Claims, 2026 Notes Claims, 2027 Unsecured Notes Claims, and ABL Facility Claims shall be made to or at the direction of the Prepetition Agent for the applicable Prepetition Debt Document under which the relevant Allowed Claims arose and pursuant to the terms of such Prepetition Debt Document, and the Debtors and/or Reorganized Debtors, as applicable, shall use commercially reasonable efforts to coordinate with the applicable Prepetition Agent with respect to the surrender and cancellation of the 1L Notes, 1.25L Notes, 2024 Unsecured Notes, 2026 Notes, or 2027 Unsecured Notes, as applicable, at DTC.**

Upon the full payment or other satisfaction of an Allowed Other Secured Claim, or promptly thereafter, the holder of such Allowed Other Secured Claim shall deliver to the Debtors or Reorganized Debtors, as applicable, any collateral or other property of a Debtor held by such holder, together with any termination statements, instruments of satisfaction, or releases of all security interests with respect to its Allowed Other Secured Claim that may be reasonably required to terminate any related financing statements, mortgages, mechanics' or other statutory Liens, lis pendens, or similar interests or documents and take all other steps reasonably requested by the Debtors, the Reorganized Debtors, the New Notes Indenture Trustees, or the New Revolver Facility Agent that are necessary to cancel or extinguish Liens securing such holder's Other Secured Claim.

d. *Binding Effect of New Organizational Documents*

Each holder of the New Common Equity (whether issued and distributed hereunder or otherwise, and in each case, whether such New Common Equity is held directly or indirectly through the facilities of DTC) shall be deemed to be a party to, and shall be bound to the terms of, the **New LLC Agreement and the other** applicable New Organizational Documents, in accordance with their terms, from and after the Effective Date, even if not a signatory thereto. **Without limitation of the foregoing, except as provided in Article VII.B.4 of the Modified**

Second Amended Plan and the New LLC Agreement, all recipients of New Common Equity under the Modified Second Amended Plan shall be required to execute and be bound by the New LLC Agreement. Any beneficial holder of New Common Equity that holds such New Common Equity through the facilities of DTC (each, a "*DTC Holder*") shall be deemed to be a party to (and in privity of contract with the other parties to) the New LLC Agreement as a "beneficial owner" and bound thereby, regardless of execution thereof by such DTC Holder. After the Effective Date, the successors, transferees and assigns of any holder of New Common Equity (and their successive successors, transferees and assigns) shall be required to execute a joinder to the New LLC Agreement; *provided* that (x) any such successor, transferee or assign shall be deemed bound by the New LLC Agreement, regardless of the execution of a joinder thereto, and (y) the failure of a transferee to so execute a joinder to the New LLC Agreement will not invalidate any transfer occurring through DTC (nor shall the fact that such transfer is not invalidated relieve the transferor from liability for breach for failing to require the transferee to execute a joinder to the New LLC Agreement).

4. Authorization to Implement the Modified Second Amended Plan

a. *Restructuring Transactions*

In consummating the **Modified Second Amended** Plan, the Debtors and the Reorganized Debtors shall be authorized, to the extent consistent with the **Modified Second Amended** Plan, to enter into such transactions and take such other actions (in each case, with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) as may be necessary or appropriate to effect a corporate and other organizational restructuring of their businesses, to otherwise simplify the overall corporate and other organizational structure of the Debtors, to reincorporate or reorganize certain of the Debtors under the laws of jurisdictions other than the laws under which such Debtors currently are incorporated or formed, and to alter the tax status of the Debtors (collectively, "*Restructuring Transactions*"). The Restructuring Transactions may include one or more mergers, consolidations, dispositions, transfers, assignments, contributions, liquidations or dissolutions, as may be determined by the Debtors (in each case, with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) to be necessary or appropriate, including any such transaction necessary or appropriate to result in substantially all of the respective assets, properties, rights, liabilities, duties, and obligations of certain of the Debtors vesting in one or more surviving, resulting, or acquiring entities. Subject to the terms of the **Modified Second Amended** Plan, in each case in which the surviving, resulting, or acquiring Entity in any such transaction is a successor to a Debtor, that surviving, resulting, or acquiring Entity shall perform the obligations of the corresponding Debtor or Reorganized Debtor pursuant to the **Modified Second Amended** Plan to pay or otherwise satisfy the Allowed Claims against and Interests in that Debtor, except that any contract, instrument or other agreement or document effecting a disposition to the surviving, resulting or acquiring Entity, which may provide that another Entity (including another Reorganized Debtor) will perform such obligations. The Restructuring Transactions may occur prior to (in consultation with the Committee), on, or after the Effective Date.

In effecting the Restructuring Transactions, the Debtors **(with the consent of the Required Secured Noteholders, not to be unreasonably withheld)** and the Reorganized Debtors shall be permitted to (a) execute and deliver appropriate agreements or other documents of merger, con-

solidation, restructuring, disposition, liquidation, or dissolution containing terms that are consistent with the terms of the **Modified Second Amended** Plan and that satisfy the requirements of applicable non-bankruptcy law and such other terms to which the applicable Entities may agree; (b) form new Entities, execute and deliver appropriate documents in connection therewith containing terms that are consistent with the terms of the **Modified Second Amended** Plan and that satisfy the requirements of applicable non-bankruptcy law, and issue equity in such newly formed Entities; (c) execute and deliver appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, or obligation on terms consistent with the terms of the **Modified Second Amended** Plan and having such other terms to which the applicable Entities may agree and effectuate such transfers, assignments, assumptions, or delegations in accordance with such instruments, including to any Entities formed in accordance with the Restructuring Transactions and the **Modified Second Amended** Plan; (d) file appropriate certificates or articles of merger, consolidation, or dissolution pursuant to applicable non-bankruptcy law; and (e) take all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings, or vacating previously filed filings or recordings, that may be required by applicable non-bankruptcy law in connection with such transactions. Each agent of the Debtors and other Persons authorized to make filings with respect to the Debtors is directed to cooperate with and to take direction from the Debtors and the Reorganized Debtors as to the foregoing.

To the extent known, any Restructuring Transactions will be summarized in the Description of Restructuring Transactions, and shall be subject to the terms and conditions of the **Modified Second Amended** Plan and the consent of the Required ~~Consenting 1L~~**Secured** Noteholders.

b. *Actions to Effectuate the Modified Second Amended Plan*

All actions contemplated under the **Modified Second Amended** Plan (including, for the avoidance of doubt, the Plan Supplement) shall be deemed authorized and approved in all respects, including, with respect to the applicable Reorganized Debtors: (a) appointment of the New Boards pursuant to ~~Article IV.E of the Plan~~**Article IV.E** and any other managers, directors, or officers for the Reorganized Debtors identified in the Plan Supplement; (b) the issuance and distribution of the New Common Equity by Reorganized Incora; (c) entry into the New Organizational Documents; (d) entry into the New Debt Documents; ~~and~~ (e) implementation of the Restructuring Transactions**; and (f) implementation of the Appellate Adjustment Mechanism**.

All matters provided for in the **Modified Second Amended** Plan involving the corporate or other organizational structure of the Debtors or the Reorganized Debtors, and any corporate or other entity action required by the Debtors or Reorganized Debtors in connection with the **Modified Second Amended** Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the security holders, managers, or officers of the Debtors or the Reorganized Debtors.

On and after the Effective Date, the Debtors~~,~~ **(with the prior consent of the Required Secured Noteholders),** the Reorganized Debtors and their respective officers, directors or managers shall each be authorized and (as applicable) directed to issue, execute, deliver, file, or record the contracts, securities, instruments, releases, and other agreements and documents contemplated under the **Modified Second Amended** Plan (or necessary or desirable to effectuate,

implement, or further evidence the transactions contemplated under the **Modified Second Amended** Plan) in the name, and on behalf, of the Debtors or the Reorganized Debtors, including any and all agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals set forth in ~~Article IV.D.2 of the Plan~~**this Article IV.D.2** shall be effective notwithstanding any approvals, authorization or requirements under applicable non-bankruptcy law, except for those expressly required pursuant to the **Modified Second Amended** Plan or the New Organizational Documents.

c. ***Authorization and Issuance of the New Common Equity***

All of the New Common Equity issued or distributed pursuant to the **Modified Second Amended** Plan shall be issued and distributed free and clear of all Liens, Claims, and other Interests. All of the New Common Equity issued or distributed pursuant to the Plan shall be duly authorized, validly issued, and, as applicable, fully paid and non-assessable. Each distribution and issuance of the New Common Equity under the Plan shall be governed by the terms and conditions set forth in the **Modified Second Amended** Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

5. Directors and Officers

a. ***Resignation of Incumbent Directors***

As of the Effective Date, the terms of the current directors and managers of each Debtor shall expire, and each such director and manager will be deemed to have resigned and shall have no continuing obligation in their capacity as such to the Reorganized Debtors after the Effective Date.

b. ***New Boards of Directors***

The **selection, qualifications, and independence of the members and/or observers on the** Reorganized Incora Board shall be determined ~~and selected by~~**as set forth in the New Organizational Documents in a manner acceptable to** the Required ~~Consenting 1L~~**Secured** Noteholders~~, and the~~**; *provided* that the Reorganized Debtors' chief executive officer shall be one of the Directors. The** identities of ~~such~~**the** Directors will be disclosed, to the extent known, in the Plan Supplement. As of the Effective Date, the applicable New Subsidiary Boards shall be appointed in accordance with the applicable New Organizational Documents, and the identities of the members thereof will be disclosed, to the extent known, in the Plan Supplement. From the Effective Date, each of the directors or managers, as applicable, of the Reorganized Debtors shall serve pursuant to the terms of the applicable New Organizational Documents and may be replaced or removed in accordance with the New Organizational Documents.

c. ***Officers***

Except as otherwise provided in the Plan Supplement, the officers of the Debtors immediately before the Effective Date shall serve as the initial officers of each of the respective Reorganized Debtors on and after the Effective Date, except that those officers who are employed by or partners of the Sponsor shall be deemed to have resigned and shall bear no further duties to

any of the Debtors or the Reorganized Debtors. From and after the Effective Date, the selection of officers of the Reorganized Debtors shall be as provided by their respective organizational documents.

6. Tax and Regulatory Matters

a. *Filing of New Organizational Documents*

On or prior to the Effective Date or as soon thereafter as is practicable, the applicable Reorganized Debtors shall, if so required under applicable local law, file their New Organizational Documents with the applicable Secretaries of State or other applicable authorities in their respective jurisdictions of organization in accordance with the laws of the respective jurisdictions. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate their respective New Organizational Documents and other constituent documents as permitted by the laws of their respective jurisdictions of organization, and their respective New Organizational Documents, without further order of the Bankruptcy Court.

The New Organizational Documents for Reorganized Incora shall provide for the following protections for minority holders of the New Common Equity: (1) the provision by Reorganized Incora to holders of New Common Equity of annual audited and quarterly financial statements of Reorganized Incora and its consolidated subsidiaries; (2) customary tag-along and drag-along rights (in connection with a transfer of a majority of the then-outstanding New Common Equity); (3) no transfer restrictions other than customary joinder requirements, restrictions on transfers to competitors, customary drag-along and tag-along rights (in connection with a transfer of a majority of the then-outstanding New Common Equity), and other customary transfer restrictions (including restrictions on transfers that are not in compliance with applicable law or would require Reorganized Incora to register securities under the Securities Exchange Act of 1933 or to register as an "investment company" under the Investment Company Act of 1940), but in any event will not include any right of first refusal or right of first offer; (4) customary pro rata preemptive rights in connection with issuances of equity securities in Reorganized Incora for cash (subject to customary carve outs, including for M&A/JVs, restructurings, lender equity kickers and the Management Incentive Plan) for accredited investor holders of more than 2% of the then-issued and outstanding ~~shares~~**units** of New Common Equity; and (5) a prohibition against amendments to any of the foregoing provisions without the consent of holders of a majority of the then-issued and outstanding ~~shares~~**units** of New Common Equity similarly disproportionately affected by any such amendment.

b. *Section 1146 Exemption*

In accordance with section 1146 of the Bankruptcy Code, (a) the issuance, distribution, transfer, or exchange of any securities, instruments or documents, including the New Common Equity **(including in connection with the Appellate Adjustment Mechanism)**; (b) the creation of any lien, mortgage, deed of trust, or other security interest; (c) the making or assignment of any lease or sublease or the making or delivery of any deed or other instrument of transfer under,

pursuant to, in furtherance of, or in connection with the **Modified Second Amended** Plan, including any deeds, bills of sale, or assignments executed in connection with any of the transactions contemplated under the **Modified Second Amended** Plan or the reinvesting, transfer or sale of any real or personal property of the Debtors pursuant to, in implementation of, or as contemplated in the **Modified Second Amended** Plan (whether to one or more of the Reorganized Debtors or otherwise); (d) the grant of collateral under the New Debt Documents; (e) the Restructuring Transactions; and (f) the issuance, renewal, modification, or securing of indebtedness by such means, and the making, delivery, or recording of any deed, bill of sale, assignment or other instrument of transfer under, in furtherance of, contemplated by, arising out of or in any way related to, the **Modified Second Amended** Plan, including the Confirmation Order, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, personal property transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment (except, in each case, to the extent required under applicable foreign law), and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing, other than in respect of any tax imposed under applicable foreign law), wherever located and by whomever appointed, shall comply with the requirements of section 1146(a) of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

7. Preservation of Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to Article VIII.D of the **Modified Second Amended** Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Retained Causes of Action (and all Privilege Rights with respect thereto), whether arising before or after the Petition Date, in any court or other tribunal including, in an adversary proceeding filed in the Chapter 11 Cases, and including any actions specifically enumerated in the Schedule of Retained Causes of Action; *provided*, that, notwithstanding anything in the **Modified Second Amended** Plan to the contrary, the Reorganized Debtors waive their rights to assert, and release, any Released Preference Action.

The Reorganized Debtors may pursue such Retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors in their discretion.

No Person or Entity may rely on the absence of a specific reference in the Modified Second Amended Plan, the Plan Supplement, or the Disclosure Statement to any Retained Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Retained Causes of Action against them. Unless any Cause of Action that any Debtor may have or be entitled to assert on behalf of its Estate or itself is expressly waived, relinquished, exculpated, released, compromised, or settled in the **Modified Second Amended** Plan or a Final Order of the Bankruptcy Court, the Reorganized Debtors

expressly reserve all such Causes of Action as Retained Causes of Action, for later adjudication, and, therefore no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or Consummation of the **Modified Second Amended** Plan.

The Reorganized Debtors, through their authorized agents or representatives, shall retain and shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Retained Causes of Action, and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

8. Management Incentive Plan

The Reorganized Debtors will reserve a pool of the New Common Equity **(in an amount** to be agreed by the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders **prior to the Confirmation Hearing)** for a post-emergence Management Incentive Plan for management employees of the Reorganized Debtors, which will contain terms and conditions (including with respect to participants, form, allocation, structure, duration and timing and extent of issuance and vesting) as determined by the Reorganized Incora Board after the Effective Date.

E. Treatment of Executory Contracts and/or Unexpired Leases

1. Assumption and Rejection

Except as otherwise provided in the **Modified Second Amended** Plan, each Executory Contract and/or Unexpired Lease shall be deemed assumed, without the need for any further notice to or action, order, or approval of the Bankruptcy Court, as of the Effective Date, pursuant to section 365 of the Bankruptcy Code, unless such Executory Contract and/or Unexpired Lease (a) was previously assumed or rejected; (b) previously expired or was terminated pursuant to its own terms; (c) is the subject of a motion to reject, assume, or assume and assign filed on or before the Effective Date; or (d) is designated specifically as an Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases; *provided* the Debtors or the Reorganized Debtors, as applicable, retain the right to alter, amend, modify or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases, including by way of adding or removing a particular Executory Contract or Unexpired Lease from the Schedule of Rejected Executory Contracts and Unexpired Leases at any time through and including the Effective Date. Prior to filing the Schedule of Assumed Executory Contracts and Unexpired Leases and the Schedule of Rejected Executory Contracts and Unexpired Leases, the Debtors shall provide the Committee with reasonable advance notice thereof and the Committee may file an objection to the reasonableness of any proposed assumption or rejection of which the Committee did not have notice as of the date of the Committee Stipulation.

Unless previously approved by the Bankruptcy Court, the Confirmation Order will constitute an order of the Bankruptcy Court approving the above-described rejections, assumptions, and

assignments, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code and effective upon Consummation of the **Modified Second Amended** Plan.

Except as otherwise provided in the **Modified Second Amended** Plan or agreed to by the Debtors and the applicable counterparty, each Executory Contract and/or Unexpired Lease assumed pursuant to Article V.A of the **Modified Second Amended** Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date, shall **be assigned to or shall** revest in, and **shall** be fully enforceable by, the applicable Reorganized Debtor in accordance with its terms (including any amendments to any Executory Contracts and/or Unexpired Leases that were entered into after the Petition Date), except as such terms are modified by the provisions of the **Modified Second Amended** Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. To the maximum extent permitted by law, to the extent that any provision in any Executory Contract and/or Unexpired Lease assumed or assumed and assigned pursuant to the **Modified Second Amended** Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract and/or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified or stricken such that the transactions contemplated by the **Modified Second Amended** Plan shall not entitle the non-Debtor that is party thereto to terminate such Executory Contract and/or Unexpired Lease or to exercise any other default-related rights with respect thereto.

Nothing contained in the **Modified Second Amended** Plan shall constitute an admission by the Debtors that any Executory Contract and/or Unexpired Lease is, in fact, an Executory Contract and/or Unexpired Lease or that the Debtors or the Reorganized Debtors have any liability thereunder.

2. Assumed Contracts and Leases

a. *Cure of Defaults and Objections to Cure and Assumption*

The Allowed Cure Claim for each Executory Contract and/or Unexpired Lease shall be $0.00, unless (a) the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) affirmatively propose to Allow a Cure Claim for an Executory Contract and/or Unexpired Lease in a different amount by listing it on the Schedule of Assumed Executory Contracts and Unexpired Leases, (b) a Final Order is entered Allowing a Cure Claim in a different amount, or (c) the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) or Reorganized Debtors, as applicable, otherwise agree with the applicable party or parties to an Executory Contract and/or Unexpired Lease to Allow a Cure Claim in a different amount. The Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) and the Reorganized Debtors may settle any Cure Claim without any further notice to or action, order, or approval of the Bankruptcy Court. Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract and/or Unexpired Lease (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders), all objections to the assumption of any Executory Contract and/or Unexpired Lease pursuant to the **Modified Second Amended** Plan, including to any Cure Claim set forth in the Schedule of Assumed Executory Contracts and Unexpired Leases, must be filed with the Bankruptcy Court on or before the ~~Confirmation~~**Contract** Objection Deadline or

such other deadline that may be set by the Bankruptcy Court; *provided* that (1) if the Debtors reduce any previously proposed Cure Claim or decide to assume any Executory Contract or Unexpired Lease that was previously proposed to be rejected pursuant to a new or amended Schedule of Assumed Executory Contracts and Unexpired Leases and/or Schedule of Rejected Executory Contracts and Unexpired Leases filed on or after the date that is 14 days prior to the ~~Confirmation~~**Contract** Objection Deadline, the counterparty to such affected Executory Contracts shall have 14 days after receipt of notice of such schedules to file an objection to any such reduced Cure Claim or the assumption of any such Executory Contract or Unexpired Lease that was previously proposed to be rejected (including the proposed Cure Claim with respect thereto) and (2) an objection seeking a Cure Claim for a default under an Executory Contract or Unexpired Lease that arises after the date of the otherwise applicable Cure Claim objection deadline (other than in respect of any asserted default arising as a result of Consummation of the **Modified Second Amended** Plan) may be filed at any time within 90 days after the Effective Date. Any such request that is not timely filed shall be Disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Debtor or Reorganized Debtor, without the need for any objection by the Debtors or Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court.

Except as set forth below, the Debtors or the Reorganized Debtors shall satisfy all Allowed Cure Claims in respect of assumed Executory Contracts and Unexpired Leases by payment in Cash, on the Effective Date or as soon as reasonably practicable thereafter, of the Allowed amount. Each Cure Claim shall be deemed fully satisfied, released, and discharged upon such payment; *provided*, *however*, that nothing herein shall prevent the Reorganized Debtors from paying any Cure Claim despite the failure of the relevant counterparty to file such request for payment of such Cure Claim. The consummation of the **Modified Second Amended** Plan on the Effective Date shall be conclusively deemed to provide "adequate assurance of future performance" as to all Executory Contracts and/or Unexpired Leases that are assumed.

Assumption of any Executory Contract and/or Unexpired Lease pursuant to the **Modified Second Amended** Plan shall result in the full release and satisfaction of any Claims or defaults, whether monetary or ~~nonmonetary~~**non-monetary**, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any such Executory Contract and/or Unexpired Lease at any time before the date that it is assumed **(other than Claims for amounts under such assumed Executory Contracts and/or Unexpired Leases that are accrued but not yet due as of the date of assumption)**. Subject to the resolution of any timely objections in accordance with Article V.B.2 of the **Modified Second Amended** Plan, any Proofs of Claim filed with respect to an Executory Contract and/or Unexpired Lease that has been assumed or assumed and assigned shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

b. *Dispute Resolution*

If a counterparty to an Executory Contract and/or Unexpired Lease files a timely objection regarding the amount of any Cure Claim or any other matter pertaining to assumption or the cure of defaults required by section 365(b)(1) of the Bankruptcy Code (each, an "*Assumption Dispute*"), the Assumption Dispute shall be resolved by the Bankruptcy Court or otherwise as may be agreed upon by the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) or the

Reorganized Debtors and the counterparty, subject to the rights of the General Unsecured Claims Observer with respect to the Allowance of any General Unsecured Claim or General Unsecured Convenience Claim in connection with such resolution.

The Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) or the Reorganized Debtors may assume, assume and assign, or reject an Executory Contract and/or Unexpired Lease that is subject to an Assumption Dispute at any time prior to the resolution of the Assumption Dispute relating to the Executory Contract and/or Unexpired Lease. During the Assumption Dispute, the counterparty shall continue to perform under the applicable Executory Contract and/or Unexpired Lease. If the Assumption Dispute is resolved or determined unfavorably to the Debtors or Reorganized Debtors, then the Debtors or Reorganized Debtor, as applicable, may either affirm the assumption or reject the applicable Executory Contract and/or Unexpired Lease after such determination, in which case the counterparty may file a Proof of Claim within 30 days after notice of rejection. Prior to rejecting any Executory Contract and/or Unexpired Lease pursuant to the foregoing, the Debtors or the Reorganized Debtors, as applicable, shall provide the Committee or the General Unsecured Claims Observer, as applicable, with reasonable advance notice of such proposed rejection and the Committee or the General Unsecured Claims Observer, as applicable, may file an objection to the reasonableness of any such rejection of which the Committee did not have notice as of the date of the Committee Stipulation.

Any Assumption Dispute, including one styled as an objection to Confirmation, may be scheduled to be heard by the Bankruptcy Court at or after the Confirmation Hearing and may be adjourned from time to time by the Debtors upon notice to the Bankruptcy Court.

c. ***Modifications, Amendments, Supplements, Restatements, and Other Agreements***

Unless otherwise provided in the **Modified Second Amended** Plan, each Executory Contract and/or Unexpired Lease that is assumed and, if applicable, assigned to the Reorganized Debtors, shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract and/or Unexpired Lease, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously terminated or is otherwise not in effect.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and/or Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract and/or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

3. Rejected Contracts and Leases: Claims for Damages

If the rejection of an Executory Contract and/or Unexpired Lease by the Debtors results in damages to the other party or parties to such contract or lease, a Claim for such damages shall be classified and treated in Class 7a (General Unsecured Claims) or Class 7b (General Unsecured Convenience Claims), as applicable, and may be objected to in accordance with the provisions of

Article VI of the **Modified Second Amended** Plan and applicable provisions of the Bankruptcy Code and Bankruptcy Rules. Such Claims shall be asserted within 30 days following entry of the order (including the Confirmation Order) approving the Debtors' rejection of the applicable executory contract or unexpired lease. The Allowance of all such Claims shall be subject to all applicable limitations, including the caps set forth in section 502(b)(6) of the Bankruptcy Code. All such Claims not filed within such time will be Disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, their Estates or the Reorganized Debtors, or the property thereof, without the need for any objection by the Debtors or Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules, if any, or a Proof of Claim to the contrary.

4. Particular Contracts and Leases

a. *Insurance Policies*

Unless listed on the Schedule of Rejected Executory Contracts and Unexpired Leases, ~~each of the insurance contracts, including all D&O~~**all of the Debtors' Insurance** Policies~~,~~ are deemed to be and **shall be** treated as Executory Contracts and/or Unexpired Leases under the ~~Plan, and~~**Modified Second Amended Plan, and,** on and after the Effective Date, ~~the Debtors shall be deemed to have assumed all insurance contracts, including all D&O Policies in place as of the Petition Date.~~**shall be assumed in their entirety by the Reorganized Debtors pursuant to the Modified Second Amended Plan and Bankruptcy Code sections 105 and 365 and shall revest in the Reorganized Debtors and continue in full force and effect (such Insurance Policies, the "*Assumed Insurance Policies*").**

On and after the Effective Date, each Reorganized Debtor shall remain liable in full in the ordinary course of business for all its obligations under the Assumed Insurance Policies, regardless of when they arise and in accordance with the terms thereof and the Modified Second Amended Plan.

The automatic stay of section 362(a) of the Bankruptcy Code and the injunctions set forth in Article VIII.G of the Modified Second Amended Plan, if and to the extent applicable, shall be deemed lifted without further order of this Bankruptcy Court, solely with respect to Insurers and claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law and solely to permit: (a) claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law to proceed with their claims; and (b) Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (i) workers' compensation claims, (ii) claims where a claimant asserts a direct claim against the Insurers under applicable non-bankruptcy law, or an order has been entered by this Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article VIII.G of the Modified Second Amended Plan to proceed with a claim under an Insurance Policy, and (iii) all costs in relation to each of the foregoing.

~~In addition, after~~**After** the Effective Date, all current and former officers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be entitled to the full benefits**, if any,** of any D&O Policy ~~(including any "tail" policy)~~**in effect as of the Petition Date** for the full term of such policy regardless of whether such officers, directors, agents, and/or employees remain in such positions after the Effective Date, in each case, solely to the extent set forth in such D&O Policies and subject to any terms and conditions thereof. In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy ~~(including any "tail policy")~~ in effect as of the Petition Date~~;~~ ~~*provided* that, for the avoidance of doubt, any insurance contract, including tail insurance policies, for directors', members', trustees', and officers' liability to be purchased or maintained by the Reorganized Debtors after the Effective Date shall be subject to ordinary course corporate governance of the Reorganized Debtors.~~.

After the Effective Date, all current and former officers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be **entitled to the full benefits, if any, of any D&O Policy in effect as of the Petition Date for the full term of such policy regardless of whether such officers, directors, agents, and/or employees remain in such positions after the Effective Date, in each case, solely to the extent set forth in such D&O Policies and subject to any terms and conditions thereof. In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy in effect** as of the Petition Date.

b. *Indemnification Obligations*

i. *Indemnification of Directors, Officers, and Others*

Except as set forth on the Schedule of Rejected Executory Contracts and Unexpired Leases, any Indemnification Obligation to indemnify current and former officers, directors, members, managers, agents, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, members, managers, agents, or employees based upon any act or omission for or on behalf of the Debtors shall (a) remain in full force and effect; (b) not be discharged, impaired, or otherwise affected in any way, including by the **Modified Second Amended** Plan, the Plan Supplement, or the Confirmation Order; (c) not be limited, reduced, or terminated after the Effective Date; and (d) survive unimpaired and unaffected irrespective of whether such Indemnification Obligation is owed for an act or event occurring before, on or after the Petition Date; *provided* that the Reorganized Debtors shall not indemnify officers, directors, members, or managers, as applicable, of the Debtors for any claims or Causes of Action that (x) are not indemnified by such Indemnification Obligation; or (y) arise out of or relate to any act or omission that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct; *provided, further*, that the obligations in this section shall not apply to any Excluded Party or any other Person that is employed by or a partner of (or indemnified by) the Sponsor, and any obligations to indemnify any such Person shall be terminated upon the occurrence of the Effective Date regardless of whether such obligations are captured on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired Leases. Except as provided in the foregoing sentence, all such obligations shall be deemed and treated as executory contracts to be assumed by the Debtors under the **Modified Second Amended** Plan and shall continue as obligations of the Reorganized Debtors,

and, if necessary to effectuate such assumption under local law, one or more of the Reorganized Debtors shall contractually assume such obligations.

No Entity or Person may assert any Cause of Action against any independent director of a Debtor (including Patrick Bartels as independent director of Wolverine Intermediate Holding) arising out of or related to a Covered Exculpation Matter without first seeking authority from the Bankruptcy Court. Any request for such authority shall: (~~i~~a) be made in writing with notice to all affected parties and shall include a proposed complaint setting forth any alleged Causes of Action and the detailed factual basis in support of such Causes of Action; (~~ii~~b) indemnify each independent director against whom any such Causes of Action are asserted against costs associated with the successful defense of any such Causes of Action that are allowed to proceed; and (~~iii~~c) propose a reasonable attorney fee reserve amount, which amount shall be subject to modification by the Bankruptcy Court and shall be deposited by the Entity or Person asserting such Causes of Action in the Bankruptcy Court's registry to secure the payment of such indemnity.

Any Claim filed on account of an indemnification obligation to a director, manager, officer, or employee of the Debtors as of the Effective Date shall be deemed satisfied and may be expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed by the Reorganized Debtors, or honored or reaffirmed, as the case may be pursuant to the **Modified Second Amended** Plan, without an objection having to be filed and without any further notice or action, order or approval of the Bankruptcy Court.

ii. *Indemnification of 1L Indenture Trustee ~~and Holders of 1L Notes Claims~~*

Following the Effective Date, ~~Consenting 1L Noteholders,~~ the 1L Indenture Trustee (solely in Wilmington Savings Fund Society, FSB's capacity as the trustee and collateral agent under the 1L Indenture and not in any capacity relating to the 1.25L Notes, the 2024 Unsecured Notes, the 2026 ~~Unsecured~~ Notes or the 2027 Unsecured Notes or the 1.25L Indenture, the 2024 Unsecured Indenture, the 2026 ~~Unsecured~~ Indenture or the 2027 Unsecured Indenture or any other document executed by it, or binding on it, in connection with its role as the indenture trustee for the 1.25L Notes, the 2024 Unsecured Notes, the 2026 ~~Unsecured~~ Notes or the 2027 Unsecured Notes) and ~~their respective~~**its** Related Parties shall be indemnified by the Reorganized Debtors with respect to all present and future actions, suits, and proceedings against the ~~Consenting 1L Noteholders, the~~ 1L Indenture Trustee~~,~~ or ~~their respective~~**its** Related Parties in connection with or related to the 2022 Financing Transactions, the Financing Litigation, and/or any other Causes of Action in connection with or related to the 1L Indenture (including, with respect to the 1L Indenture Trustee, for its reasonable and documented fees and expenses and for the reasonable and documented fees and expenses of its counsel) or the other Note Documents (as defined in the 1L Indenture), on the same terms as afforded under the 1L Indenture or the other Note Documents (as defined in the 1L Indenture).

c. *Compensation and Benefit Plans*

Unless otherwise provided in the **Modified Second Amended** Plan (including on the Schedule of Rejected Executory Contracts and Unexpired Leases) and except as applicable to any Excluded Party or any other Person that is employed by or a partner of the Sponsor, all

employment, restrictive covenant, confidentiality, and non-competition agreements, collective bargaining agreements, offer letters (including any severance set forth therein), bonus, gainshare and cash-based incentive programs, vacation, holiday pay, severance, retirement, supplemental retirement, employee or director or officer indemnity, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, agreements and arrangements, and all other wage, compensation, employee expense reimbursement, and other benefit obligations (collectively, the "*Compensation and Benefit Plans*") are deemed to be, and shall be treated as, Executory Contracts under the **Modified Second Amended** Plan and, on the Effective Date, subject to the following provisos, shall be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date); *provided* that Consummation shall not constitute a change in control or term of similar meaning pursuant to any such plans; *provided, further*, that no employee equity or equity-based plans, or any provisions set forth in any Compensation and Benefits Plans that provide for rights to acquire equity interests in any of the Debtors, including Existing Equity Interests, shall be assumed, or deemed assumed, by the Reorganized Debtors, or assumed and assigned, or deemed to be assumed and assigned, to Reorganized Incora.

For the avoidance of doubt, the foregoing shall not (1) limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to the Compensation and Benefit Plans, or (2) impair the ability of the Reorganized Debtors, to implement the Management Incentive Plan and to determine the Compensation and Benefit Plans of the Reorganized Debtors on or after the Effective Date, in each case consistent with the **Modified Second Amended** Plan.

5. Postpetition Contracts and Leases

Subject to Article V.B.3 of the **Modified Second Amended** Plan, new contracts and leases entered into after the Petition Date by any Debtor, will be performed by the applicable Debtor or Reorganized Debtor, as the case may be, liable thereunder in the ordinary course of its business or as authorized by the Bankruptcy Court. Accordingly, such contracts and leases (including any assumed Executory Contracts and/or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order, and, on the Effective Date, shall revest in and be fully enforceable by **and against** the applicable Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

F. CLAIMS RESOLUTION

1. Allowance of Claims and Interests, Generally

Except as otherwise expressly provided in the **Modified Second Amended** Plan and without regard to any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Confirmation Date, the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders and ~~the reasonable consent of the Committee~~ (solely with respect to the Allowance of any General Unsecured Claim or General Unsecured Convenience Claim) **with** the reasonable consent of the Committee), and, following the Effective Date, the Reorganized Debtors, subject to the rights of the General Unsecured Claims Observer with respect to the Allowance of any General Unsecured Claim or General Unsecured Convenience Claim, shall have the authority, without any

further notice to or action, order, or approval by the Bankruptcy Court, to (a) agree to Allow any Disputed Claim pursuant to clause (c)(iii) of the definition of "Allowed," which has not been made subject to an objection or request for estimation prior to the Confirmation Date, (b) file, withdraw, or litigate to judgment objections to Disputed Claims, (c) settle or compromise any Disputed Claim that has not been made subject to an objection or request for estimation prior to the Confirmation Date, and (d) direct the Claims Agent to adjust the Claims Register to reflect all resolutions of Disputed Claims.

The Reorganized Debtors shall file any objections to Claims (including any omnibus objections) no later than the Claim Objection Deadline (as it may be extended).

Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been Allowed, Disallowed or estimated by order of the Bankruptcy Court be entitled to seek reconsideration of such an order unless it filed a motion requesting reconsideration on or before 21 days after the date of the order.

2. Contingent and Unliquidated Claims

Except with respect to a Claim that is Allowed pursuant to clause (a) or (c) of the definition of "Allowed," any Claim that is listed in the Schedules as contingent, unliquidated or disputed, and for which no Proof of Claim has been filed, shall be considered Disallowed and shall be expunged by the Debtors and the Claims Agent without further notice to any party or action, approval or order of the Bankruptcy Court.

At any time prior to the Claim Objection Deadline, the Debtors and Reorganized Debtors or the applicable claimant may request that the Bankruptcy Court estimate, pursuant to section 502(c) of the Bankruptcy Code, any Disputed Claim that is presented in a Proof of Claim as contingent or unliquidated, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection.

3. Amendments

On or after the Confirmation Date, a Claim may not be amended without the prior authorization of (a) the Bankruptcy Court or (b) the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders and the Committee, not to be unreasonably withheld) or Reorganized Debtors (subject to the rights of the General Unsecured Claims Observer with respect to the Allowance of any General Unsecured Claim or General Unsecured Convenience Claim), as applicable.

The Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders and the Committee, not to be unreasonably withheld), prior to the Effective Date, and the Reorganized Debtors (subject to the rights of the General Unsecured Claims Observer with respect to the Allowance of any General Unsecured Claim or General Unsecured Convenience Claim)**,** after the Effective Date, may amend the Schedules with respect to any Claim (other than any Claim that otherwise is or becomes an Allowed Claim or is released hereunder or otherwise by a Final Order) and to make distributions pursuant to the **Modified Second Amended** Plan based on such amended

Schedules (if no Proof of Claim is timely filed in response to such amendment) without approval of the Bankruptcy Court. If any such amendment to the Schedules reduces the amount of a Claim or adversely changes the nature or priority of a Claim that was previously scheduled as undisputed, liquidated and not contingent, the Debtors or the Reorganized Debtors, as applicable, shall provide the holder of such Claim with notice of such amendment and the opportunity to file a Proof of Claim pursuant to the Claims Bar Date Order. For the avoidance of doubt, prior to the Claim Objection Deadline, the Reorganized Debtors shall have the authority to object to or otherwise dispute any Claim that has been listed on the Schedules (other than any Claim that is otherwise an Allowed Claim), even if not listed as disputed, unliquidated and/or contingent.

4. Claims Subject to Avoidance Actions

Subject in all respects to the waiver and release of Released Preference Actions set forth in Article IV.G of the **Modified Second Amended** Plan, except as otherwise provided in a Final Order of the Bankruptcy Court, any Claim held by an Entity against which a Debtor or a Reorganized Debtor pursues an Avoidance Action or an action to recover property under sections 542, 543, 550 or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, in each case other than a Released Claim, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and the holder of such Claim shall not receive any distribution under the **Modified Second Amended** Plan on account of such Claim until such time as such action has been resolved and, to the extent applicable, all sums due from such holder have been turned over to the Debtors or the Reorganized Debtors, as applicable. For the avoidance of doubt, the Claims Objection Deadline shall not apply to the filing of an Avoidance Action, including an Avoidance Action that seeks disallowance of a Claim as relief. For the avoidance of doubt, any Claim held by an Entity that does business with the Debtors or has been identified as an eligible critical vendor, in each case, as of the date of the Committee Stipulation, shall not be disallowed on the basis of a Released Preference Action pursuant to this paragraph.

5. Claims Paid or Payable by Third Parties

a. *Claims Paid by Third Parties*

The Debtors or Reorganized Debtors, as applicable, shall reduce a Claim, and such Claim shall be Disallowed without an objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the holder of such Claim receives payment (before or after the Effective Date) on account of such Claim from a party that is not a Debtor or Reorganized Debtor; *provided*, *however*, if such holder is required to repay all or any portion of a Claim (either by contract or by order of a court of competent jurisdiction) to the party that is not a Debtor or Reorganized Debtor, and such holder in fact repays all or a portion of the Claim to such third party, the repaid amount of such Claim shall not be Disallowed on such basis and shall remain subject to the applicable treatment set forth in the **Modified Second Amended** Plan and the respective rights and defenses of the Debtors or Reorganized Debtors, as applicable, and the holder of such Claim. To the extent a holder of a Claim receives a distribution on account of such Claim under the **Modified Second Amended** Plan and receives payment from a party that is not a Debtor or the Reorganized Debtor on account of such Claim, such holder shall, within 10 days of receipt thereof, repay or return the distribution to the applicable Debtor or

Reorganized Debtor, to the extent the holder's total recovery on account of such Claim from the third party and under the **Modified Second Amended** Plan exceeds the amount of such Claim as of the date of any such distribution under the **Modified Second Amended** Plan. The failure of such holder to timely repay or return such distribution shall result in the holder owing the applicable Reorganized Debtor annualized interest at the federal judgment rate, as in effect as of the Petition Date, on such amount owed for each Business Day after the 10-day grace period specified above until the amount is repaid.

b. ***Claims Payable by Third Parties***

No distributions under the **Modified Second Amended** Plan shall be made on account of an Allowed Claim that is payable pursuant to any Debtor's ~~insurance policies~~**Insurance Policies** until the holder of such Allowed Claim has exhausted all remedies with respect to such ~~insurance policy~~**Insurance Policy**; *provided* that if such holder is required to repay all or any portion of a Claim (either by contract or by order of a court of competent jurisdiction) to ~~a Debtor's insurer~~**an Insurer**, and such holder in fact repays all or a portion of the Claim to such ~~insurer~~**Insurer**, the repaid amount of such Claim shall remain subject to the applicable treatment set forth in the **Modified Second Amended** Plan and the respective rights and defenses of the Debtors or Reorganized Debtors, as applicable, ~~and~~ the holder of such Claim**, and, if applicable, the Insurers**. The ~~insurers~~**Insurers** reserve all rights to defend and contest applicable causes of action or demands to the extent that they are brought against the ~~insurers~~**Insurers**, or to the extent that such causes of action or demands seek recovery from the ~~insurers~~**Insurers**. To the extent that one or more of the Debtors' ~~insurers~~**Insurers**, in its role as an ~~insurer~~**Insurer** (but not in any role as the issuer of surety bonds or similar instruments or as a guarantor of payment), agree to ~~satisfy~~**pay** a Claim in full or in part (if and to the extent adjudicated by a court of competent jurisdiction or otherwise settled), then immediately upon such ~~insurers~~**Insurers**' payment thereof, the applicable portion of such Claim may be expunged without an objection having to be filed and without any further notice to or action, order or approval of the Bankruptcy Court. **For the avoidance of doubt, nothing in Article VI.E.2 of the Modified Second Amended Plan is intended to alter the terms set forth in Article V of the Modified Second Amended Plan.**

c. ***Applicability of Insurance ~~Contracts~~Policies***

Except as otherwise provided in the **Modified Second Amended** Plan, distributions to holders of Claims covered by ~~insurance contracts~~**Insurance Policies** shall be in accordance with the provisions of any applicable ~~insurance contract~~**Insurance Policy**. Except as otherwise expressly set forth in the **Modified Second Amended** Plan, nothing in the **Modified Second Amended** Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity, including any holders of Claims, may hold against any other Entity under any ~~insurance contract~~**Insurance Policy**, including against ~~insurers~~**Insurers** or any insured, nor shall anything contained in the **Modified Second Amended** Plan constitute or be deemed a waiver by such ~~insurers~~**Insurers** of any rights or defenses, including coverage defenses, held by such ~~insurers~~**Insurers**.

G. General Unsecured Claims Observer

With the consent of the Debtors and the Required ~~Consenting 1L~~**Secured** Noteholders (in each case, not to be unreasonably withheld), the Committee may appoint, as of the Effective Date, a General Unsecured Claims Observer with duties limited to monitoring the Reorganized Debtors with respect to the Allowance of General Unsecured Claims and General Unsecured Convenience Claims. The General Unsecured Claims Observer shall have standing to appear before the Bankruptcy Court with respect to matters arising out of or related to reconciliation, Allowance, and settlement of any General Unsecured Claims or General Unsecured Convenience Claims, as well as to assert an objection thereto on any grounds (including that any Claim should not be Allowed or should be Allowed in a reduced amount).

The Reorganized Debtors shall consult with the General Unsecured Claims Observer with respect to the Allowance of General Unsecured Claims and General Unsecured Convenience Claims.

The General Unsecured Claims Observer may employ, without further order of the Bankruptcy Court, professionals to assist in carrying out the duties as limited above, and the General Unsecured Claims Observer Costs, including reasonable and documented professional fees and expenses, shall be reimbursed by the Reorganized Debtors in the ordinary course of business in an aggregate amount not to exceed $125,000 as soon as reasonably practicable after invoiced.

Upon the resignation or removal of the General Unsecured Claims Observer, the outgoing General Unsecured Claims Observer may appoint a successor General Unsecured Claims Observer with the consent of the Reorganized Debtors (not to be unreasonably withheld) and approval of the Bankruptcy Court; *provided*, that in the event of the death of the General Unsecured Claims Observer, the successor General Unsecured Claims Observer shall be appointed by the Reorganized Debtors with approval of the Bankruptcy Court. Upon the resolution of all General Unsecured Claims and General Unsecured Convenience Claims, the General Unsecured Claims Observer shall be released and discharged of and from further authority, duties, responsibilities, and obligations relating to and arising from and in connection with the Chapter 11 Cases.

The Debtors or the Reorganized Debtors on the one hand, and the Committee and the General Unsecured Claims Observer on the other hand, shall engage in good faith discussions of reasonable limitations on the rights and duties of the General Unsecured Claims Observer, including the range of de minimis General Unsecured Convenience Claims that the Reorganized Debtors may agree to Allow without oversight of the General Unsecured Claims Observer, and may agree to such limitations without further notice or order of the Bankruptcy Court.

H. Claim Resolution Procedures Cumulative

All of the aforementioned objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Disputed Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

I. DISTRIBUTIONS

1. The Disbursing Agent and Servicers

a. *Powers and Roles*

All distributions under the **Modified Second Amended** Plan shall be made by the Disbursing Agent on the Effective Date (or, if a Claim is not an Allowed Claim on the Effective Date, on the next Interim Distribution Date) or as soon as reasonably practicable thereafter. Where Allowed Claims that are governed by a separate agreement and administered by a Servicer, the Disbursing Agent and the Reorganized Debtors, together with the applicable Servicer, shall use commercially reasonable efforts to implement distributions in accordance with the **Modified Second Amended** Plan and with the applicable agreements.

Without further order of the Bankruptcy Court, the Disbursing Agent and, where applicable, the Servicers, shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the **Modified Second Amended** Plan; (b) make all distributions contemplated hereby; (c) employ professionals and incur reasonable fees and expenses to represent it with respect to such responsibilities; and (d) exercise such other powers as may be vested in them by order of the Bankruptcy Court, pursuant to the **Modified Second Amended** Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the **Modified Second Amended** Plan.

If the Disbursing Agent is one or more of the Reorganized Debtors, the Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. The Servicers shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

b. *Expenses*

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and documented expenses incurred by the Disbursing Agent or the Servicers on or after the Effective Date (including the reasonable and documented fees and expenses of counsel) in connection with making distributions shall be paid by the Reorganized Debtors, without duplication of payments of Restructuring Expenses or Retained Professional Fees. Additionally, in the event that the Disbursing Agent is ordered or required to give a bond or surety, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors.

2. Delivery Procedures

a. *Record Date*

Except as otherwise provided in the **Modified Second Amended** Plan or prior Bankruptcy Court order, the Disbursing Agent shall make distributions to holders of Allowed Claims as of the Distribution Record Date at the address for each such holder as indicated in the Debtors' records as of the date of any such distribution.

The manner of such distributions shall be determined at the discretion of the Reorganized Debtors. In addition, with respect to payment of any Cure Claim or disputes over any Cure Claim, neither the Debtors nor the Disbursing Agent shall have any obligation to recognize or deal with any party other than the non-Debtor party to the applicable Executory Contract or Unexpired Lease as of the Effective Date, even if such non-Debtor party has sold, assigned, or otherwise transferred its Cure Claim. **For avoidance of doubt, the Distribution Record Date shall not apply to beneficial holders of securities customarily filed with DTC, who shall receive a distribution** in accordance with the terms **of this Article VII and, as applicable, the customary procedures of DTC on or as soon as practicable after the Effective Date.**

All distributions to holders on account of Allowed (a) 1L Notes Claims, (b) 2024 Unsecured Notes Claims, (c) 2026 Notes Claims, (d) 2027 Unsecured Notes Claims, and (e) ABL Facility Claims shall be deemed completed when made to or at the direction of the Prepetition Agent for the applicable Prepetition Debt Document under which the relevant Allowed Claims arose, which shall be deemed to be the holder of such Claims for purposes of distributions to be made under the Modified Second Amended Plan; *provided* that the distributions to holders of 1L Notes Claims in respect of the New Money Notes, 2026 Notes Claims, and 2024 Unsecured Notes Claims shall be subject to the Appellate Adjustment Mechanism. The Prepetition Agents shall hold or direct such distributions for the benefit of the holders of the foregoing Allowed Claims, in each case to the extent that the **Prepetition Agent is the Prepetition Agent for the applicable Prepetition Debt Document under which the applicable Allowed Claims arose. As applicable, such Prepetition Agent may transfer or direct the transfer of such distributions directly through the facilities of DTC (whether by means of book-entry exchange, free delivery, or otherwise) and will be entitled to recognize and deal for all purposes under the Modified Second Amended Plan with applicable holders of the foregoing Allowed Claims, in a manner consistent with the customary practices of DTC. The Prepetition Agents shall not incur any liability whatsoever on account of any distributions under the Modified Second Amended Plan except for gross negligence or willful misconduct. If the Prepetition Agents are unable to make, or consent to the Reorganized Debtors making, such distributions, the Reorganized Debtors or an authorized Disbursing Agent, with the applicable Prepetition Agent's cooperation, shall make such distribution. The Prepetition Agents for the 1L Notes, the 2024 Unsecured Notes, the 2026 Notes and the 2027 Unsecured Notes shall have no duties, obligations, or responsibilities with respect to any form of distribution to holders of the foregoing Allowed Claims that is not DTC-eligible, and the Reorganized Debtors shall make such distributions. For the avoidance of doubt, all distributions referenced in this paragraph shall be subject to any charging liens exercised by the Prepetition Agents.**

b. *Interim Distribution Date*

Except as otherwise provided in the **Modified Second Amended** Plan or prior Bankruptcy Court order, the Disbursing Agent shall make additional interim distributions to holders of Allowed Claims that were not considered Allowed as of Distribution Record Date.

The Reorganized Debtors shall have reasonable discretion to determine the timing of these Interim Distribution Dates based on among other things, resolutions of Disputed Claims and the

administrative costs of such a distribution. The manner of such distributions shall be determined at the reasonable discretion of the Reorganized Debtors.

c. *Publicly Held Securities*

The Distribution Record Dates shall not apply to publicly held securities deposited with DTC and, in connection with any distribution under the **Modified Second Amended** Plan to be effected through the facilities of DTC (whether by means of book-entry exchange, free delivery, or otherwise), the Debtors or the Reorganized Debtors, as applicable, shall be entitled to recognize and deal for all purposes under the **Modified Second Amended** Plan with holders of Claims in each Class to the extent consistent with the customary practices of DTC used in connection with such distributions.

d. *Distributions of New Common Equity*

Any distribution of New Common Equity shall be conditioned on the submission to the Debtors or their designated agent of an executed Equity Registration Form and signature page to the New LLC Agreement. If a holder of Allowed Claims entitled to a distribution of New Common Equity has not delivered a validly executed Equity Registration Form and signature page to the New LLC Agreement to the Debtors or their designated agent by the Effective Date, any distribution of New Common Equity to which such holder would be entitled under the Modified Second Amended Plan shall be held in escrow by the Reorganized Debtors, notwithstanding any state or other escheat or similar laws to the contrary. If such holder has not delivered a validly executed Equity Registration Form and signature page to the New LLC Agreement to the Debtors or their designated agent within 180 days after the Effective Date, the entitlement of such holder to such distribution on account of such holder's Claims shall be extinguished and forever barred. Notwithstanding the foregoing, the Debtors (with the consent of the Required Secured Noteholders) or the Reorganized Debtors, as applicable, may determine to waive compliance with the foregoing with respect to any distributions of New Common Equity settled pursuant to the facilities of DTC in accordance with Article VII.F of the Modified Second Amended Plan; *provided* that, for the avoidance of doubt, **each DTC Holder shall be deemed to be a party to (and in privity of contract with the other parties to) the New LLC Agreement as a "beneficial owner" and bound thereby, in each case, regardless of execution thereof by such DTC Holder, in accordance with Article IV.C.4 of the Modified Second Amended Plan.**

e. ~~**d.**~~ ***Undeliverable Distributions and Unclaimed Property***

In the event that any distribution to any holder is undeliverable for any reason (including an undeliverable address or the recipient's failure to provide necessary information), no distribution to such holder shall be made unless and until the holder has cured the reason that its distribution was undeliverable, after which its distribution shall be made on the next Interim Distribution Date without interest; *provided*, *however*, that any undeliverable distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of 180 calendar days after the date on which such distribution was first attempted to be made, as determined in good faith by Reorganized Incora; *provided, further*, that the Debtors or Reorganized Debtors, as

applicable, shall use reasonable efforts to locate a holder if any distribution is returned as undeliverable. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, state or other jurisdiction escheat, abandonment, or unclaimed property laws to the contrary), and**, to** the **extent such undeliverable distribution is comprised of New Common Equity, such New Common Equity shall be canceled. The** claim of any holder to such property or interest in property shall be discharged and forever barred.

Checks issued on account of Allowed Claims shall be null and void if not negotiated within 180 calendar days from and after the date of issuance thereof. Requests for reissuance of any check must be made directly and in writing to the Disbursing Agent by the holder of the relevant Allowed Claim within the 180-calendar-day period. After such date, the relevant Allowed Claim (and any Claim for reissuance of the original check) shall be automatically discharged and forever barred, and such funds shall revert to the Reorganized Debtors (notwithstanding any applicable federal, state, other U.S. or non-U.S. jurisdiction's escheat, abandoned, or unclaimed property laws to the contrary).

A distribution shall be deemed unclaimed if a holder has not: (x) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (y) responded to the Debtors' or Reorganized Debtors' requests for information necessary to facilitate a particular distribution; or (z) taken any other action necessary to facilitate such distribution.

The Debtors, the Reorganized Debtors, and the Disbursing Agents, as applicable, shall not incur any liability whatsoever on account of any distributions under the **Modified Second Amended** Plan, except in the event of actual fraud, gross negligence, or willful misconduct, as determined by a Final Order of a court of competent jurisdiction.

f. ~~e.~~ ***Manner of Payment***

At the option of the Disbursing Agent, any Cash payment to be made hereunder may be made by check, wire transfer, automated clearing house, or credit card, or as otherwise required or provided in applicable agreements.

3. Calculation

a. ***Full Amount Payable***

Unless otherwise provided in the **Modified Second Amended** Plan or paid pursuant to a prior Bankruptcy Court order, on the Effective Date (or, if a Claim is not an Allowed Claim on the Effective Date, then on the date that such Claim becomes Allowed or as soon as reasonably practicable thereafter), each holder of an Allowed Claim or Allowed Interest shall receive the full amount of the distributions that the **Modified Second Amended** Plan provides for Allowed Claims or Allowed Interests in the applicable Class. Distributions on account of any Disputed Claims (which will only be made if and when they become Allowed Claims) shall be made pursuant to the provisions set forth in ~~Article VII of the Plan~~**Article VII**. If any payment or act under the **Modified Second Amended** Plan is required to be made or performed on or by a date that is not a Business Day, then the making of such payment or the performance of such act may be completed

on the next succeeding Business Day. Distributions on account of Claims in unimpaired Classes that are asserted in non-U.S. currency may, at the Debtors'' discretion, be paid in the applicable non-U.S. currency. Distributions on account of Claims in all other Classes shall be converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Petition Date.

b. ***Distributions on Account of Obligations of Multiple Debtors***

For all purposes associated with distributions under the **Modified Second Amended** Plan, each Claim that has been asserted against multiple Debtors will be treated as a single Claim and shall result in a single distribution under the **Modified Second Amended** Plan.

c. ***Minimum Distributions***

No fractional New Common Equity shall be distributed to a holder of an Allowed Claim on account of its Allowed Claim. When any distribution pursuant to the **Modified Second Amended** Plan would otherwise result in the issuance of a number of shares (or LLC interests or other such units) of New Common Equity that is not a whole number, the actual distribution of such New Common Equity shall be rounded as follows: (a) fractions of greater than one-half (½) ~~shares~~**units** of New Common Equity shall be rounded to the next higher whole number and (b) fractions of one-half (½) or less of New Common Equity shall be rounded to the next lower whole number with no further payment on their account. The total number of authorized ~~shares~~**units** of New Common Equity to be distributed to holders of Allowed Claims may be adjusted as necessary to account for the foregoing rounding.

Notwithstanding any other provision of the **Modified Second Amended** Plan, no Cash payment valued at less than $50.00, in the reasonable discretion of the Disbursing Agent and the Debtors or the Reorganized Debtors (as applicable), shall be made to a holder of an Allowed Claim on account of such Allowed Claim. Such Allowed Claims to which this limitation applies shall be discharged and its holder forever barred from asserting that Claim against the Reorganized Debtors or their property.

d. ***Setoff and Recoupment***

The Debtors and the Reorganized Debtors may, but shall not be required to, set off against any Claim or Interest (for purposes of determining the Allowed amount of such Claim or Interest on which distribution shall be made), any claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the holder of such Claim or Interest that have not been otherwise released, compromised or settled on or prior to the Effective Date (pursuant to the **Modified Second Amended** Plan or otherwise); *provided* that neither the failure to do so nor the Allowance of any Claim or Interest under the **Modified Second Amended** Plan shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claim the Debtors or the Reorganized Debtors may have against the holder of such Claim or Interest.

e. ***No Postpetition Interest***

Except as to the DIP Financing Claims and as required by the Bankruptcy Code, post-petition interest shall not accrue or be paid on any Claims or Interests, and no holder of a Claim or

Interest shall be entitled to interest accruing on or after the Petition Date on any such Claim or Interest.

f. *Allocation Between Principal and Accrued Interest*

Except as otherwise provided in the **Modified Second Amended** Plan, the aggregate consideration paid to holders with respect to their Allowed Claims shall be treated pursuant to the **Modified Second Amended** Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

g. *Single Satisfaction of Claims*

Notwithstanding anything else contained in the **Modified Second Amended** Plan or Confirmation Order, in no case shall a distribution be made under the **Modified Second Amended** Plan on account of an Allowed Claim to the extent that the aggregate value of all property received or retained on account of such Allowed Claim (from whatever source) would exceed 100 percent of the underlying Allowed Claim.

4. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the **Modified Second Amended** Plan, (a) no distributions will be made under the **Modified Second Amended** Plan on account of a Disputed Claim until such Claim becomes an Allowed Claim pursuant to a Final Order, if ever, and (b) except as otherwise agreed by the Debtors or the Reorganized Debtors, as applicable, no partial distributions with respect to a Disputed Claim will be made under the **Modified Second Amended** Plan until all disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, any distributions under the **Modified Second Amended** Plan shall be made to the holder of such Allowed Claim in accordance with the provisions of the **Modified Second Amended** Plan on the next Interim Distribution Date, without any interest to be paid on account of such Claim.

5. Exemption from Securities Laws

a. *Exemption for Distributions Under Modified Second Amended Plan*

The offer, issuance, and distribution under the ~~Plan~~**Modified Second Amended Plan (including in connection with the Appellate Adjustment Mechanism)** of the New Common Equity ~~and New Notes~~ shall be exempt, without further act or actions by any Entity, from registration under the Securities Act and any other applicable securities laws to the fullest extent permitted by section 1145 of the Bankruptcy Code, except with respect to an Entity that is an "underwriter" with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code. Subject to the transfer provisions, if any, and other applicable provisions set forth in the New Organizational Documents, ~~the New Exit Notes Documents or the New Takeback Notes Documents, as applicable,~~ these securities may be resold without registration under the Securities Act or other federal securities laws pursuant to the exemption provided by section

4(a)(1) of the Securities Act, unless the holder is an "underwriter" with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code. In addition, if the holder is not an "underwriter" with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code, but such holder is an "affiliate" (as defined in Rule 144(a)(1) under the Securities Act) of the issuer, such holder may resell such securities without registration pursuant to and in accordance with the applicable provisions of Rule 144 ~~(the manner of sale provisions of Rule 144(f) apply to New Common Equity but do not apply to New Notes)~~ under the Securities Act (other than the holding period requirement in Rule 144(d) applicable to "restricted securities") or another available exemption under the Securities Act. In addition, such persons will also be entitled to resell such securities in transactions registered under the Securities Act following the effectiveness of an applicable registration statement, if one is filed with the SEC and becomes effective. Further, subject to the transfer provisions, if any, and other applicable provisions set forth in the New Organizational Documents, ~~the New Exit Notes Documents or the New Takeback Notes Documents,~~ such section 1145 exempt securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of the several states.

The offer, issuance, and distribution under the Modified Second Amended Plan (including in connection with the Appellate Adjustment Mechanism) of the New Notes shall be exempt, without further act or actions by any Entity, from registration under the Securities Act and any other applicable securities laws as a private placement pursuant to section 4(a)(2) of the Securities Act and/or the safe harbor of Regulation D promulgated thereunder. All New Notes issued pursuant to the exemption from registration set forth in section 4(a)(2) of the Securities Act and/or the safe harbor of Regulation D promulgated thereunder shall be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act, such as, under certain conditions, the resale provisions of Rule 144 or Rule 144A under the Securities Act, subject to, in each case, the transfer provisions, if any, and other applicable provisions set forth in the New Exit Notes Documents or the New Takeback Notes Documents**.**

b. ***Exemption for Issuances to Underwriters***

The offer, sale, issuance, and distribution under the ~~Plan~~**Modified Second Amended Plan (including in connection with the Appellate Adjustment Mechanism)** of any New Common Equity ~~or any New Notes~~ issued to an Entity that is an "underwriter" with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code, shall be exempt from registration under the Securities Act and any other applicable securities laws in reliance on the exemption from registration set forth in Section 4(a)(2) under the Securities Act (and on applicable state law registration exemptions) and/or Regulation D promulgated thereunder (and on the preemption of state law registration requirements afforded thereby) or, solely to the extent such exemptions are not available, other available exemptions from registration under the Securities Act. Such securities will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act, such as, under certain conditions, the resale provisions of Rule 144 under the Securities Act, subject to, in each case, the transfer provisions, if any, and other

applicable provisions set forth in the New Organizational Documents~~, the New Exit Notes Documents, or the New Takeback Notes Documents~~.

6. DTC

Should the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders) or the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Common Equity and/or the New Notes **(including in connection with the Appellate Adjustment Mechanism)** through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than the **Modified Second Amended** Plan or the Confirmation Order with respect to the treatment of transfers, exercise, removal of restrictions, or conversion of New Common Equity and/or New Notes under applicable U.S. federal, state or local securities laws.

DTC shall be required to accept and conclusively rely upon the **Modified Second Amended** Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Common Equity and/or the New Notes **(including in connection with the Appellate Adjustment Mechanism)** are exempt from registration and/or eligible for DTC book-entry delivery, settlement and depository services. Each Entity that becomes a holder of New Common Equity and/or New Notes indirectly through the facilities of DTC will be deemed bound by the terms and conditions of the applicable New Organizational Documents, New Exit Notes Documents or New Takeback Notes Documents and shall be deemed to be a beneficial owner of New Common Equity and/or New Notes subject to the terms and conditions of the applicable New Organizational Documents, New Exit Notes Documents or New Takeback Notes Documents.

Notwithstanding anything to the contrary in the **Modified Second Amended** Plan, no Entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the validity of any transaction contemplated by the **Modified Second Amended** Plan, including, for the avoidance of doubt, whether the New Common Equity and/or the New Notes are exempt from registration and/or eligible for DTC book-entry delivery, settlement and depository services.

7. Compliance with Tax Requirements

In connection with the **Modified Second Amended** Plan, to the extent applicable, the Reorganized Debtors and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the **Modified Second Amended** Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the **Modified Second Amended** Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including withholding distributions pending receipt of information necessary to facilitate such distributions or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the **Modified Second Amended** Plan in compliance with all applicable wage garnishments, alimony, child support and other spousal awards, liens, and encumbrances. Notwithstanding the above, each holder of an Allowed Claim or Allowed Interest that is to receive a distribution under the **Modified Second Amended** Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed on such holder by any Governmental Unit, including income, withholding, and other tax

obligations, on account of such distribution. The Debtors have the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to any issuing or disbursing party for payment of any such tax obligations. The Debtors may require, as a condition to receipt of a distribution, that the holder of an Allowed Claim complete and return a Form W-8 or W-9 or similar form, as applicable to each such holder.

J. Provisions Relating to Releases, Exculpations, and Injunctions

1. Compromise and Settlement

The Confirmation Order will constitute the Bankruptcy Court's approval of the settlements reflected in the **Modified Second Amended** Plan, including the Debtor Release and the Third-Party Release, and further, shall constitute the Bankruptcy Court's finding and determination that such settlements, including the Debtor Release and the Third-Party Release are (a) by conferring substantial benefits on the Debtors' Estates, an exercise of the Debtors' business judgment and in the best interests of the Debtors, their Estates, and all holders of Claims and Interests; (b) fair, equitable, and reasonable; (c) made in good faith; (d) in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (e) an integral and non-severable element of the **Modified Second Amended** Plan and the transactions incorporated therein, and essential to the Confirmation and Consummation of the **Modified Second Amended** Plan; (f) given and made after due notice and opportunity for hearing; and (g) a bar to any Entity asserting any Released Claim. In addition, the allowance, classification, and treatment of any Allowed Claims of a Released Party take into account any Released Claim that may exist between the Debtors and any Released Party and, as of the Effective Date, any and all such Released Claims are settled, compromised, and released as set forth in the **Modified Second Amended** Plan. The Confirmation Order shall authorize and approve the releases of the Released Parties by all Entities and Persons of all the Released Claims that are satisfied, compromised, and settled pursuant to the **Modified Second Amended** Plan. Except as expressly set forth in the **Modified Second Amended** Plan (including the waiver and release of Released Preference Actions as set forth in Article IV.G of the **Modified Second Amended** Plan), nothing in the **Modified Second Amended** Plan shall compromise or settle, in any way whatsoever, (x) any Causes of Action against any Excluded Party or any other Entity that is not a Released Party; (y) any Causes of Action that are preserved pursuant to Article IV.G of the **Modified Second Amended** Plan; or (z) any Causes of Action included on the Schedule of Retained Cause of Action.

In accordance with the provisions of the **Modified Second Amended** Plan, and pursuant to Bankruptcy Rule 9019, without any further notice to, or action, order, or approval of, the Bankruptcy Court, after the Effective Date, the applicable Reorganized Debtors may, subject to the rights of the General Unsecured Claims Observer (to the extent applicable), compromise and settle (1) Claims (including Causes of Action) against and Interests in the Debtors not previously Allowed (if any) and (2) claims (including Causes of Action) held by the Reorganized Debtors against other Entities.

2. Discharge of Claims and Termination of Interests

The discharge provisions set forth in Article VIII.B of the Plan ~~will be~~are binding on all Persons and Entities, and enforceable through the injunction provisions set in Article VIII.G of the Modified Second Amended Plan.

The complete text of Article VIII.B of the Modified Second Amended Plan is as follows:

> Except as otherwise provided in the Plan, effective as of the Effective Date of each applicable Debtor: (a) the rights afforded in the Plan and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge, and release of all claims and interests of any nature whatsoever, including any interest accrued on such claims from and after the Petition Date, against the applicable Debtors or any of their assets, property, or estates; (b) the Plan shall bind all holders of Claims against and Interests in the Debtors, notwithstanding whether any such holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims and Interests shall be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (d) all Entities shall be precluded from asserting against the Debtors, the Debtors' Estates, the applicable Reorganized Debtors, their successors and assigns and their assets and properties any other Claims or Interests based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred before the Effective Date.

3. Release of Liens

The lien release provisions set forth in Article VIII.C of the Plan ~~will be~~are binding on all Persons and Entities, and enforceable through the injunction provisions set forth in Article VIII.G of the Modified Second Amended Plan.

The complete text of Article VIII.C of the Modified Second Amended Plan is as follows:

> Except as otherwise expressly provided in the Plan, or in any contract, instrument, release, or other agreement or document that is created, amended, ratified, entered into, or Reinstated pursuant to the Plan (including the New Debt Documents), on the Effective Date, concurrently with the applicable distributions made pursuant to the Plan and the effectiveness of the New Debt Documents, and without any further approval or order of the Bankruptcy Court and

without any action or filing being required to be made by the Debtors:

1. all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and each of their successors and assigns,

2. the DIP Agent and the Prepetition Agents shall be directed (as if directed by the applicable percentage of lenders and/or noteholders required under the DIP Documents and the Prepetition Debt Documents) to release any such mortgages, deeds of trust, Liens, pledges, or other security interests held by such holder and to take such actions as may be requested by the Reorganized Debtors, the New Revolver Facility Agent or the New Notes Indenture Trustees to evidence the release of such mortgages, deeds of trust, Liens, pledges, or other security interests, including the execution, delivery, and filing or recording of any related releases or discharges as may be requested by the Reorganized Debtors, the New Revolver Facility Agent or the New Notes Indenture Trustees, or as may be required in order to effectuate the foregoing, in each case, at the Reorganized Debtors' cost and expense, and

3. the Reorganized Debtors (and any of their respective agents, attorneys, or designees) shall be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, intellectual property assignments, mortgage or deed of trust releases, or such other forms or release documents in any jurisdiction as may be necessary or appropriate to evidence such releases and implement the provisions of this Article VIII.C, including, for the avoidance of doubt, with respect to the DIP Notes.

The presentation or filing of the Confirmation Order to or with any federal, state, local or non-U.S. agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such mortgages, deeds of trust, Liens, pledges, or other security interests.

4. Releases

As set forth more fully in the definitions and articles of the **Modified Second Amended** Plan that are copied below, the **Modified Second Amended** Plan provides for the release of all Released Claims against all Released Parties. These releases apply to Released Claims held by the

Debtors themselves, by the Reorganized Debtors, by the Debtors' Estates, and by the Releasing Parties.

a. *Released Claims*

As set forth below, the "Released Claims" include a wide range of claims and other rights that relate to the Debtors, the Debtors' debt financing agreements, and other aspects of the Restructuring. The "Released Claims" expressly include derivative claims assertable by or on behalf of a Debtor or its estate; known and unknown claims; foreseen and unforeseen claims; fixed and contingent claims; matured and unmatured claims; disputed and undisputed claims; liquidated and unliquidated claims; existing claims and claims that arise later; and claims that may be asserted in law, equity, or otherwise.

The complete definition of "Released Claims" is as follows:

> the Causes of Action released under Article VIII.D and Article VIII.E [of the Plan] and the Released Preference Actions released under Article IV.G [of the Plan].

The full text of Article VIII.D and Article VIII.E of the **Modified Second Amended** Plan is set forth below.

b. *Released Parties*

As set forth below, the "Released Parties" include the Debtors, the Reorganized Debtors, and many of the key stakeholders of the Debtors who have participated in the Debtors' Restructuring or the Chapter 11 Cases.

The complete definition of "Released Parties" is as follows:

> collectively, the Releasing Parties; *provided* that no Excluded Party shall be a Released Party.

The complete definition of "Excluded Party" is as follows:

> any Entity that (a) elects to opt out of the Third-Party Release; (b) files with the Bankruptcy Court an objection to the Plan, including the Third-Party Release or the Debtor Release, that is not consensually resolved before Confirmation, or supports any such objection or objector; or (c) is designated as an Excluded Party pursuant to the Plan Supplement; *provided* that none of (i) the Initial Consenting Parties, (ii) the Committee, its members, or its Retained Professionals, or (iii) with respect to any Entity in the foregoing clause (i) or (ii), any Related Parties thereof shall be an Excluded Party pursuant to the foregoing clause (c).

The "Initial Consenting Parties" means ~~any~~**each** Consenting ~~Party~~**1L Noteholder, Consenting 1.25L Noteholder, and Consenting Equity Holder** that is party to the Restructuring Support Agreement as of the date of its execution, January 11, 2024.

c. *Entities Bound by Releases*

The releases set forth in Article VIII.D of the **Modified Second Amended** Plan are binding on the Debtors, their Estates, and the Reorganized Debtors.

The Third-Party Release set forth in Article VIII.E of the Modified Second Amended Plan is binding on all Releasing Parties. You will be a Releasing Party if you vote to accept the **Modified Second Amended** Plan. You will also be a Releasing Party if you do not affirmatively opt out of granting the Third-Party Release by following the procedures set forth on your Ballot or Non-Voting Status Notice and submitting your Ballot or Non-Voting Status Notice by the Voting Deadline.

The complete definition of "Releasing Parties" is as follows:

> collectively, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each non-Debtor affiliate; (d) each of the Consenting 1L Noteholders, the Consenting 1.25L Noteholders and the Consenting Equity Holders; (e) the Committee and its members; (f) the DIP Purchasers; (g) Wilmington Savings Fund Society, FSB, in its capacity as current and/or former indenture trustee, notes agent and collateral agent, as applicable, under the DIP Notes Purchase Agreement, the 1L Indenture, the 1.25L Indenture, the Unsecured Notes Indentures**, the 2026 Indenture,** and the PIK Notes Indenture; (h) BOKF, in its capacity as current and/or former indenture trustee under the Unsecured Notes Indentures **and the 2026 Indenture**; (i) the ABL Agent and the ABL Lenders; (j) the New Revolver Facility Agent and the New Revolver Facility Lenders; (k) the New Notes Indenture Trustees; (*l*) each holder of Claims or Interests that ~~is entitled to vote on the Plan and~~ does not elect to opt out of the Third-Party Release; (m) ~~each holder of Claims or Interests that is deemed to reject or presumed to accept the Plan but does not elect to opt out of the Third-Party Release; (n)~~ with respect to each of the Entities in the foregoing clauses (a) through (~~m~~*l*), each such Entity's current and former Related Parties; *provided* that, if any holder of a Claim or Interest does not elect to opt out of the Third-Party Release in any of its capacities, such holder and each of its Related Parties that is also a holder of a Claim or Interest shall be deemed to have not opted out of the Third-Party Release in all capacities; *provided, further*, that no Excluded Party shall be a Releasing Party. Notwithstanding any of the foregoing, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties. For the avoidance of doubt, **in accordance with Dkt. No. 1727, no member of the 2024/2026 Noteholder Group (or any Related Party thereof) shall be a Releasing Party or a Released Party.**

d. *How to Opt Out*

You may opt out of granting the Third-Party Release by checking the opt-out box on your Ballot or Non-Voting Status Notice. You must then submit your Ballot or Non-Voting Status Notice to the Solicitation Agent so that it is ***actually received*** on or before the Voting Deadline. If you opt out of consenting to the Third-Party Release as a "Releasing Party," you will also not be a "Released Party" and will not benefit as a releasee under the Third-Party Release.

e. *Releases by the Debtors: Full Text*

The complete text of Article VIII.D of the **Modified Second Amended** Plan is as follows:

> Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, as of the Effective Date, each of the Released Parties shall be expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged by the Debtors, the Reorganized Debtors, and each of their Estates from any and all Causes of Action, including any derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates **(including, for the avoidance of doubt, all Causes of Action identified in the Standing Motions)**, that any Debtor, Reorganized Debtor, or any of their Estates would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Debtors, the Reorganized Debtors, or their Estates (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (~~i~~**a**) the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions (except to the extent the Debtors or Reorganized Debtors retain Intercompany Claims for accounting or tax purposes), the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the Global Settlement, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (~~ii~~**b**) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in

connection with the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the use of cash collateral authorized under the DIP Orders and the adequate protection granted in connection therewith, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (~~iii~~c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (~~iv~~d) the assumption, rejection, or amendment of any Executory Contract and/or Unexpired Lease; (~~v~~e) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected through the Restructuring (including pursuant to the Plan) or classified in the Plan; (~~vi~~f) the filing or administration of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; (~~vii~~g) the 2022 Financing Transactions, the Financing Litigation or the settlement thereof, including pursuant to the Global Settlement; or (~~viii~~h) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date arising from or relating to any of the foregoing, including the 1L Indenture, 1.25L Indenture, 2024 Unsecured Indenture, 2026 ~~Unsecured Notes~~ Indenture, 2027 Unsecured Notes Indenture, the PIK Notes Indenture, or the ABL Credit Agreement and including any amendments to the foregoing and all matters relating thereto.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release, and the Reorganized Debtors shall retain, (a) to the extent that any Causes of Action against the Debtors are not released or discharged pursuant to the Plan, any rights of the Debtors to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action, (b) any Cause of Action set forth in the Schedule of Retained Causes of Action, (c) any Cause of Action unknown to the Debtors as of the Effective Date that arises out of actual fraud, or gross negligence of an Entity other than a Debtor, (d) any Cause of Action against any Excluded Party, (e) any post-Effective Date obligations of any Entity under the Plan, any Restructuring Transaction, any Definitive Document (including those set forth in the Plan Supplement), or other document, instrument or agreement executed to implement the Plan, (f) any Cause of Action that is of a commercial nature and arising in the ordinary course of business, such as accounts receivable and accounts payable on account of goods and services

being performed, (g) any Cause of Action arising from any obligations owed to the Debtors pursuant to an Executory Contract and/or Unexpired Lease that is not otherwise rejected by the Debtors pursuant to section 365 of the Bankruptcy Code before, after, or as of the Effective Date, or (h) any Cause of Action against a holder of a Disputed Claim to the extent necessary to administer and resolve such Disputed Claim solely in accordance with this Plan.

f. ***Releases by Holders of Claims (Third-Party Release): Full Text***

The release provisions set forth in Article VIII.E of the Plan ~~will be~~are binding on all Releasing Parties, as defined herein, and enforceable through the injunction provisions set forth at Article VIII.G of the Plan.

Holders of Claims or Interests in the Voting Classes should refer to Section IV.J.4.f and Section V.D.3 of this Disclosure Statement for further information regarding these release provisions, including instructions to opt out from being a Releasing Party.

The complete text of Article VIII.E of the **Modified Second Amended** Plan is as follows:

As of the Effective Date, each of the Releasing Parties (other than the Debtors) shall be deemed to have expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged each of the Released Parties from any and all Causes of Action, including any derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, and any Causes of Action asserted or assertable by or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Releasing Parties (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (~~i~~a) the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the Global Settlement, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (~~ii~~b) any Restructuring Transaction, contract, instrument, release, or other agreement

or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the use of cash collateral authorized under the DIP Orders and the adequate protection granted in connection therewith, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (~~iii~~c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (~~iv~~d) the assumption, rejection, or amendment of any Executory Contract and/or Unexpired Lease; (~~v~~e) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected through the Restructuring (including pursuant to the Plan) or classified in the Plan; (~~vi~~f) the filing or administration of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; (~~vii~~g) the 2022 Financing Transactions, the Financing Litigation or the settlement thereof, including pursuant to the Global Settlement; or (~~viii~~h) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date arising from or relating to any of the foregoing, including the 1L Indenture, 1.25L Indenture, 2024 Unsecured Indenture, 2026 ~~Unsecured Notes~~ Indenture, 2027 Unsecured Notes Indenture, the PIK Notes Indenture, or the ABL Credit Agreement and including any amendments to the foregoing and all matters relating thereto (collectively, the "*Covered Released Matters*").

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release (a) to the extent that any Causes of Action against any Releasing Party are not released or discharged pursuant to the Plan, any rights of such Releasing Party to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action (*provided* that, except as set forth in Article V.D.2, no such counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, or similar claims may be asserted against the Debtors,

or the Reorganized Debtors or any Released Party to the extent such claims have been released or discharged pursuant to the Plan), (b) any Cause of Action (other than any Cause of Action against the Debtors, the Reorganized Debtors, or any Related Party of the Reorganized Debtors) unknown to such Releasing Party as of the Effective Date that arises out of actual fraud, or gross negligence of an Entity other than such Releasing Party, (c) any Cause of Action against any Excluded Party, (d) any post-Effective Date obligations of any Entity under the Plan, any Restructuring Transaction, any Definitive Document (including those set forth in the Plan Supplement), or other document, instrument or agreement executed to implement the Plan, ~~or~~ (e) the right of any Releasing Party to receive any distribution under the Plan or payment of any Cure Claim, or (f) any Cause of Action under or relating to any cooperation agreement entered by holders of 2024 Unsecured Notes and/or 2026 Notes.

For the avoidance of doubt, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties.

5. Exculpation

The exculpation provisions set forth in Article VIII.F of the Plan ~~will be~~are binding on all Persons and Entities, and enforceable through the injunction provisions set forth at Article VIII.G of the Plan.

a. *Summary of Exculpation*

As set forth more fully in the text of Article VIII.F of the **Modified Second Amended** Plan (copied below), the **Modified Second Amended** Plan exculpates the Debtors and certain other fiduciaries from liability in connection with the administration of the Chapter 11 Cases and certain other aspects of the Restructuring, unless such a Person is found by a court of competent jurisdiction to have committed an act or omission that constitutes gross negligence, willful misconduct, or actual fraud. This article also permits any Exculpated Party to rely reasonably on the advice of counsel with respect to the Exculpated Party's duties and responsibilities and incorporates a finding that the Solicitation has been conducted in good faith.

b. *Exculpated Parties*

The complete definition of "Exculpated Parties" is as follows:

> collectively, and in each case in their capacities as such and, in each case, to the maximum extent permitted by law: (a) the Debtors, (b) the Reorganized Debtors, (c) the Committee and its members, **and** (d) any independent director of a Debtor (including Patrick Bartels as independent director of Wolverine Intermediate Holding)~~, and~~

~~(e) in each case, the Retained Professionals and other professional advisors of the foregoing~~.

c. *Entities Bound by Exculpation Provisions*

All Persons and Entities are bound by the exculpation provisions set forth in Article VIII.F of the **Modified Second Amended** Plan.

d. *Exculpation: Full Text*

The complete text of Article VIII.F of the **Modified Second Amended** Plan is as follows:

> Without affecting or limiting the releases set forth in Article VIII.D and Article VIII.E ~~of the Plan~~, and notwithstanding anything in the Plan to the contrary, to the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party shall be released and exculpated from, any claim or Cause of Action arising on or after the Petition Date in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the DIP Financing; the Restructuring Support Agreement; the New Exit Notes, the New Takeback Notes; the New Revolver Facility; the Plan (including the Plan Supplement); the Disclosure Statement; the Financing Litigation; the Restructuring Transactions; the solicitation of votes for, or confirmation of the Plan; any settlement or other acts approved by the Bankruptcy Court; the funding of the Plan; Consummation of the Plan; the administration and implementation of the Plan or the property to be distributed under the Plan; the issuance or distribution of securities under or in connection with the Plan; the issuance, distribution, purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors under or in connection with the Plan; or the transactions in furtherance of any of the foregoing (collectively, the "*Covered Exculpation Matters*"); *provided* that the foregoing shall not be deemed to release, affect, or limit any post-Effective Date rights or obligations of the Exculpated Parties under the Plan (including the Plan Supplement), the New Financing, any Restructuring Transaction, or any Definitive Document, or other document, instrument, or agreement executed to implement the Plan.
>
> Each Exculpated Party shall be entitled in all respects to rely reasonably (and to have relied reasonably) on the advice of counsel with respect to the Exculpated Party's duties and responsibilities. The Exculpated Parties have, and upon implementation of the Plan, shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be,

liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable laws, rules, or regulations protecting such Exculpated Parties from liability.

The exculpations set forth in this Article VIII.F do not apply to any Causes of Action arising out of or relating to any act or omission of an Exculpated Party that is determined by a Final Order of a court of competent jurisdiction to have constituted gross negligence, willful misconduct, or actual fraud on the part of the Exculpated Party.

6. ~~Injunction~~Injunctions

The injunctions set forth in Article VIII.G of the Plan ~~will be~~are binding on all Persons and Entities, and will enjoin certain conduct not otherwise enjoined under the Bankruptcy Code.

a. *Summary*

As set forth more fully in the text of Article VIII.G of the **Modified Second Amended** Plan (copied below), the **Modified Second Amended** Plan enjoins (i.e., forbids) all Persons and Entities from interfering with the implementation or consummation of the **Modified Second Amended** Plan. The **Modified Second Amended** Plan also enjoins (i.e., forbids) all Persons and Entities from taking a wide range of actions in defiance of the release and exculpation provisions set forth above. These injunctions extend to protect the Debtors, the Reorganized Debtors, the Released Parties, the Exculpated Parties, and all of their successors. Each of these injunctions will be incorporated into the Confirmation Order and will be effective upon entry of the Confirmation Order. Any Person or Entity that subsequently violates the injunctions as set forth in the Confirmation Order may be held in contempt by the Bankruptcy Court and may be subject to (among other things) monetary damages (including legal fees, legal costs, other compensatory damages and punitive damages) and disallowance of Claims.

b. *Full Text*

The complete text of Article VIII.G of the **Modified Second Amended** Plan is as follows:

Upon entry of the Confirmation Order, all Persons and Entities shall be enjoined from taking any actions to interfere with the implementation or consummation of this Plan, or the vesting of the Estates' assets in, and the enjoyment of such assets by, the Reorganized Debtors pursuant to this Plan.

Except as otherwise expressly provided in this Plan or in the Confirmation Order, all Persons and Entities are permanently

enjoined, from and after the Effective Date, from commencing or continuing any action, the employment of process, or any other act, to pursue, collect, recover or offset any Claim, Interest, debt, obligation or Cause of Action that has been extinguished, discharged, released or made subject to exculpation under this Plan (the "*Covered Matters*"), whether against the Debtors, the Reorganized Debtors, (solely with respect to the Releasing Parties) the Released Parties, or the Exculpated Parties (the "*Covered Entities*"). The acts enjoined by the foregoing injunction include any act to:

1. enforce, attach, collect, or recover by any manner or means any judgment, award, decree, or order against a Covered Entity or any of the property or interests in property of a Covered Entity on account of or in connection with or with respect to any Covered Matter;

2. create, renew, perfect, or enforce any lien or encumbrance of any kind against a Covered Entity or any of the property or interests in property of a Covered Entity on account of or in connection with or with respect to any Covered Matter; or

3. assert any right of setoff, subrogation, or recoupment of any kind against any obligation due from a Covered Entity or from any of the property or interests in property of a Covered Entity on account of or in connection with or with respect to any Covered Matter, unless the Person or Entity holding such setoff, subrogation or recoupment right has asserted such a right and has expressly stated its intent to preserve its right in a document filed with the Bankruptcy Court and served on the Debtors and the applicable Covered Entity no later than the earlier of (x) 28 days after entry of the Confirmation Order and (y) the Effective Date.

Without limiting the generality of the foregoing, no Entity shall treat, or cause any other Entity to treat, any stock (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code of 1986, as amended) of any Debtor held by any 50-Percent Shareholder as "becoming worthless" (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code of 1986, as amended), with respect to any taxable year ending prior to the Effective Date.

With respect to any Covered Entity, no Entity or Person may commence or continue any action, employ any process, or take any other act to pursue, collect, recover or offset any Claim, Interest, debt, obligation, or Cause of Action relating or

reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Covered Released Matter, Covered Matter, or Covered Exculpation Matter (including one that alleges the actual fraud, gross negligence, or willful misconduct of a Covered Entity), unless expressly authorized by the Bankruptcy Court after (1) it determines that, after notice and a hearing, such Claim, Interest, debt, obligation, or Cause of Action is colorable and (2) it specifically authorizes such Entity or Person to bring such Claim or Cause of Action. The Bankruptcy Court shall have sole and exclusive jurisdiction to determine whether any such Claim, Interest, debt, obligation, or Cause of Action is colorable and, only to the extent legally permissible and as provided for in Article XI, shall have jurisdiction to adjudicate such underlying colorable Claim, Interest, debt, obligation, or Cause of Action. Notwithstanding the foregoing, this paragraph shall not apply to the Langur Maize Retained Causes of Action.

Notwithstanding anything to the contrary in the foregoing, the injunction does not enjoin any Entity from bringing ~~an~~any Appellate Litigation or any action to enforce the terms of this Plan, the Confirmation Order~~, the Restructuring Support Agreement~~, any other Definitive Document, or other document, instrument, or agreement executed to implement this Plan, the Confirmation Order~~, the Restructuring Support Agreement~~ or any other Definitive Document. The injunctions set forth in this Article VIII.G shall extend to any successors of the Debtors, the Reorganized Debtors, the Released Parties, the Exculpated Parties and all of their respective property and interests in property.

7. Subordination Rights

The classification and manner of satisfying all Claims and Interests under the **Modified Second Amended** Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a holder of a Claim or Interest may have against other Claim or Interest holders with respect to any distribution made pursuant to the **Modified Second Amended** Plan. Except as provided in the **Modified Second Amended** Plan, all subordination rights that a holder of a Claim may have with respect to any distribution to be made pursuant to the **Modified Second Amended** Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

K. CONDITIONS TO EFFECTIVE DATE

1. The Conditions

These are the conditions to each Debtor's Effective Date, which must be satisfied or waived in accordance with Article IX.B of the **Modified Second Amended** Plan~~)~~ at or before Consummation of the **Modified Second Amended** Plan:

1. the Final DIP Order shall be in full force and effect, and there shall be no default or event of default existing under the DIP Notes **(excluding any default or event of default arising under clauses (xiv), (xvii), (xviii), or (xix) of section 7.01(m) of the DIP Note Purchase Agreement)**;

2. the Bankruptcy Court shall have entered the Confirmation Order and any other order required to approve any Definitive Document, which shall be Final Orders and in form and substance **(a)** acceptable to the Debtors ~~and~~**, (b) reasonably acceptable to** the Required ~~Consenting~~ 1L Noteholders**,** and **(c)** consistent with the Specified Creditor Consent Rights (solely to the extent applicable);

3. all governmental and regulatory approvals, consents, authorizations, rulings, or other documents that are necessary to implement and effectuate the Plan, including those that are legally required for the consummation of the Restructuring (including, for the avoidance of doubt, any approvals required in connection with the transfer, change of control, or assignment of permits and licenses held by the applicable Debtor, unless such permits or licenses are abandoned), shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended) or applicable review periods under non-U.S. antitrust law shall have expired;

4. the final version of the Plan, including all schedules, supplements, and exhibits thereto, including in the Plan Supplement (including all documents contained therein), shall be ~~(a) except as otherwise provided in the Restructuring Support Agreement,~~ in form and substance **(a)** acceptable to the Debtors ~~and to the Required Consenting 1L Noteholders and~~**,** (b) consistent with the Specified Creditor Consent Rights (solely to the extent applicable)**, and (c) otherwise consistent with the consent rights set forth in this Plan**;

5. all Definitive Documents (including all documents in the Plan Supplement) to be executed, delivered, assumed, or performed upon or in connection with Consummation shall have been (or shall, contemporaneously with the occurrence of the Effective Date, be) (a) executed and in full force and effect, delivered, assumed, or performed, as the case may be, and in form and substance ~~consistent with the Restructuring Support Agreement (including~~**(i)** consistent with the Specified Creditor Consent Rights (solely

to the extent applicable)~~),~~ and ~~the Required Consenting 1L Noteholders shall have consented in writing to the form thereof in accordance with their~~**(ii) otherwise consistent with the** consent rights set forth in ~~the Restructuring Support Agreement~~**this Plan**; (b) to the extent required, filed with the applicable Governmental Units in accordance with applicable law; and (c) any conditions precedent contained in such documents shall have been satisfied or waived in accordance with the terms thereof, except with respect to such conditions that by their terms shall be satisfied substantially contemporaneously with or after Consummation of the Plan;

6. the Debtors shall have made commercially reasonable efforts to offer full payment of critical vendor claims under the Critical Vendor Order to any person previously identified as an eligible critical vendor that has not yet executed a vendor payment agreement pursuant to the Critical Vendor Order; *provided*, that the Debtors shall be under no obligation to offer or make any payments under the Critical Vendor Order beyond the "Payment Cap" set forth in the Critical Vendor Order as originally entered or to offer or make any payments that do not comply with the terms of the Critical Vendor Order, and shall be under no obligation to offer or make any payments to any vendor that does not execute a vendor payment agreement in substantially the form attached to the Critical Vendor Order;

7. there shall not be in effect any (a) order, opinion, ruling, or other decision entered by any court or other Governmental Unit or (b) U.S. or other applicable law staying, restraining, enjoining, prohibiting, or otherwise making illegal the implementation of any of the transactions contemplated by the Plan;

8. all financing necessary for the Plan shall have been obtained, and any documents related thereto, including the New Debt Documents, shall have been executed, delivered, and be in full force and effect (with all conditions precedent thereto having been satisfied or waived, except with respect to such conditions that by their terms shall be satisfied contemporaneously with or after Consummation of the Plan);

9. all conditions to the transfer and/or issuance of the New Common Equity shall have occurred;

10. the Restructuring Transactions shall have been (or shall, contemporaneously with the occurrence of the Effective Date, be) implemented in a manner consistent in all material respects with the Plan and in all respects with the ~~Restructuring Support Agreement~~**Specified Creditor Consent Rights** and the Committee Stipulation;

11. the Debtors shall have paid in full in Cash all Restructuring Expenses incurred, or estimated in good faith to be incurred, through the Effective Date, in accordance with and subject to Article II.B ~~of the Plan~~;

12. the Professional Fee Escrow Account shall have been established and funded in full, in Cash, in accordance with, and subject to Article II.C ~~of the Plan~~;

13. the ~~Financing Litigation shall have been resolved, pursuant to one or more Final Orders (which may include the Confirmation Order), in a form and manner satisfactory to the Debtors and the Required Consenting 1L Noteholders, each in their sole and absolute discretion (and in a manner consistent with the 1.25L Noteholder Consent Rights, solely to the extent applicable); and~~**Bankruptcy Court shall have entered (i) a final judgment or, to the extent required pursuant to 28 U.S.C. § 157, proposed findings of fact and conclusions of law for a final judgment with respect to the 2024/2026 Noteholder Counterclaims, and (ii) an order denying the *Amended and Supplemental Motion of the 2024/2026 Holders (I) Confirming Direct Standing to Pursue Certain Claims and Remedies or, in the Alternative, (II) for Derivative Standing to Pursue Such Claims and Remedies and for Exclusive Settlement Authority* [Dkt. No. 652]; and**

~~14. no notice of termination or breach shall have been delivered by the Required Consenting 1L Noteholders under the Restructuring Support Agreement or any Definitive Document in accordance with the terms thereof, and neither the Restructuring Support Agreement nor any Definitive Document shall have otherwise been terminated.~~

14. [reserved].

2. Waiver of Conditions

The conditions to the Effective Date set forth in Article IX of the **Modified Second Amended** Plan may be waived, without notice, leave, or order of the Bankruptcy Court, only by the Debtors with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld,** and in a manner consistent with the Specified Creditor Consent Rights (solely to the extent applicable); *provided* that (a) condition 11 may be waived by the Debtors with, and only with, the consent of the applicable Restructuring Professional(s) and (b) condition 12 may be waived by, and only by, the Debtors and the Committee. If any such condition precedent is waived pursuant to this section and the Effective Date occurs, the Debtors shall be estopped from withdrawing such waiver after the Effective Date. If the **Modified Second Amended** Plan is confirmed for fewer than all of the Debtors, only the conditions applicable to the Debtor or Debtors for which the **Modified Second Amended** Plan is confirmed must be satisfied or waived for the Effective Date to occur with respect to such Debtors.

L. MODIFICATION, REVOCATION OR WITHDRAWAL OF MODIFIED SECOND AMENDED PLAN

1. Modification and Amendments

The Debtors reserve the right to (a) modify the **Modified Second Amended** Plan, whether such modification is material or immaterial, with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld,** and in a manner consistent with the Specified Creditor Consent Rights (solely to the extent applicable) and (b) seek Confirmation consistent with the Bankruptcy Code. Subject to those restrictions on modifications set forth in the ~~Plan, the Restructuring Support Agreement,~~**Modified Second Amended Plan** and the requirements of section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019, and, to the extent applicable, sections 1122, 1123, and 1125 of the Bankruptcy Code, each Debtor expressly reserves its respective rights to revoke or withdraw, or to alter, amend, or modify the **Modified Second Amended** Plan with respect to such Debtor, one or more times, after Confirmation, and, to the extent necessary may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the **Modified Second Amended** Plan, or remedy any defect or omission, or reconcile any inconsistencies in the **Modified Second Amended** Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the **Modified Second Amended** Plan, with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld,** and in a manner consistent with the Specified Creditor Consent Rights (solely to the extent applicable).

After the Confirmation Date, but before the Effective Date, the Debtors may make appropriate technical adjustments and modifications to the **Modified Second Amended** Plan (including the Plan Supplement) without further order or approval of the Bankruptcy Court, provided that such technical adjustments and modifications do not adversely affect the treatment of holders of Allowed Claims or Allowed Interests under the **Modified Second Amended** Plan.

2. Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the **Modified Second Amended** Plan since its solicitation are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

3. Revocation or Withdrawal

The Debtors reserve the right to revoke or withdraw the **Modified Second Amended** Plan, in consultation with the Committee, with respect to any or all of the Debtors prior to the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the **Modified Second Amended** Plan or Confirmation does not occur, then (a) the **Modified Second Amended** Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the **Modified Second Amended** Plan (including the fixing or limiting to an amount certain of any Claim or Class of Claims), assumption of Executory Contracts and/or Unexpired Leases effected under the **Modified Second Amended** Plan, and any document or agreement executed pursuant to the **Modified Second Amended** Plan, shall be deemed null and

void; and (c) nothing contained in the **Modified Second Amended** Plan shall (i) constitute a waiver or release of any Claims or Interests; (ii) prejudice in any manner the rights of such Debtor or any other Entity; (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor or any other Entity; or (iv) be used by the Debtor or any other Entity as evidence (or in any other way) in any litigation, including with regard to the strengths or weaknesses of any of the parties' positions, arguments or claims. ~~For the avoidance of doubt, the foregoing sentence shall not be construed to limit or modify any rights under the Restructuring Support Agreement.~~

M. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and Consummation of the **Modified Second Amended** Plan, on and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the **Modified Second Amended** Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including (a) the resolution of any request for payment of any Administrative Expense and (b) the resolution of any objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. adjudicate all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Retained Professionals pursuant to the Bankruptcy Code or the **Modified Second Amended** Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract and/or Unexpired Lease to which the Debtors are party or with respect to which the Debtors may be liable, and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims for rejection damages or Cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract and/or Unexpired Lease that is assumed, or assumed and assigned; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to ~~Article V of the Plan~~**Article V**, the Executory Contracts and Unexpired Leases to the Schedule of Assumed Executory Contracts and Unexpired Leases, the Schedule of Rejected Executory Contracts and Unexpired Leases or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

4. ensure that distributions are accomplished pursuant to the provisions of the **Modified Second Amended** Plan;

5. adjudicate any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving the Debtors that may be pending on the Effective Date;

6. adjudicate any and all matters related to sections 1141 and 1146 of the Bankruptcy Code;

7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the **Modified Second Amended** Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Confirmation Order, the **Modified Second Amended** Plan, the Plan Supplement or the Disclosure Statement;

8. enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the **Modified Second Amended** Plan or any Entity's obligations incurred in connection with the **Modified Second Amended** Plan;

10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the **Modified Second Amended** Plan and ensure compliance with the **Modified Second Amended** Plan;

11. hear and determine any cases, controversies, suits, disputes, or Causes of Action involving the existence, nature, scope, or enforcement of any exculpations, discharges, injunctions, and releases granted in the **Modified Second Amended** Plan, including under ~~Article VIII of the Plan~~**Article VIII** and enter such orders as may be necessary or appropriate to implement or enforce such releases, injunctions, and other provisions;

12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the holder of a Claim or Interest for amounts not timely repaid pursuant to ~~Article VI.E of the Plan~~**Article VI.E**;

13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

14. determine any other matters that may arise in connection with, or relate to, the **Modified Second Amended** Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the **Modified Second Amended** Plan or the Disclosure Statement;

15. enter any order or final decree concluding or closing the Chapter 11 Cases;

16. adjudicate any and all disputes arising from or relating to distributions under the **Modified Second Amended** Plan or any transactions contemplated therein**, including implementation of the Appellate Adjustment Mechanism**;

17. consider any modifications of the **Modified Second Amended** Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. adjudicate matters concerning state, local, federal, and foreign taxes and fees in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

20. adjudicate whether and in what amount a Claim or Interest is Allowed;

21. adjudicate matters related to the DIP Financing and the DIP Orders;

22. recover all assets of the Debtors and property of the Estates, wherever located;

23. adjudicate any disputes concerning whether an Entity had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to the amount of a Cure, in each case, for the purpose of determining whether a Claim or Interest is discharged under the **Modified Second Amended** Plan or for any other purpose;

24. adjudicate any rights, claims, or Causes of Action held by, or accruing to, the Debtor pursuant to the Bankruptcy Code or pursuant to any federal statute or legal theory, including, but not limited to, those set forth on the Schedule of Retained Causes of Action;

25. enforce all orders previously entered by the Bankruptcy Court;

26. adjudicate any Cause of Action against any independent director of a Debtor (including Patrick Bartels as independent director of Wolverine Intermediate Holding) arising out of or related to a Covered Exculpation Matter to the maximum extent permitted by law;

27. adjudicate the Financing Litigation **Proceedings**, to the extent contemplated under the *Stipulated Comprehensive Scheduling Order* [**Adv. Pro.** Dkt. No. 141 ~~in the 2022 Financing Adversary Proceeding~~]; and

28. adjudicate any other matter as to which the Bankruptcy Court has jurisdiction.

Notwithstanding the foregoing: (a) the New Organizational Documents, the New Debt Documents and any other documents contained in the Plan Supplement shall be governed in accordance with applicable jurisdictional, forum selection, and dispute resolution clauses that may be set forth in those documents, and (b) nothing in the **Modified Second Amended** Plan or Confirmation Order shall impair any right of Langur Maize to seek to prosecute the Langur Maize Retained Causes of Action in any applicable non-bankruptcy court of competent jurisdiction, including as reserved in the *Stipulated Comprehensive Scheduling Order* [**Adv. Pro.** Dkt. No. 141 ~~in the 2022 Financing Adversary Proceeding~~]; *provided* that the rights of the Debtors, Reorganized Debtors, Langur Maize Excluded Parties and any other Person are likewise reserved to seek to conclude the 2022 Financing Adversary Proceeding before the Bankruptcy Court.

N. MISCELLANEOUS PROVISIONS

1. Effect of Modified Second Amended Plan

a. *Reservation of Rights*

Except as expressly set forth in the **Modified Second Amended** Plan, the **Modified Second Amended** Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect as to a Debtor if the Effective Date does not occur as to such Debtor. None of the filing of the **Modified Second Amended** Plan, any statement or provision contained in the **Modified Second Amended** Plan, or the taking of any action by any Debtor with respect to the **Modified Second Amended** Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the holders of Claims or Interests before Consummation.

b. *Immediate Binding Effect*

Subject to Article IX.A of the **Modified Second Amended** Plan and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon Consummation, the terms of the **Modified Second Amended** Plan shall be immediately effective and enforceable and binding upon the Debtors, the Reorganized Debtors, and any and all holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the **Modified Second Amended** Plan), all Entities that are party, or subject to, the settlements, compromises, releases, discharges, and injunctions described in the **Modified Second Amended** Plan, each Entity acquiring property under the **Modified Second Amended** Plan, and any and all of the Debtors' counterparties to Executory Contracts and/or Unexpired Leases and any other prepetition agreements.

c. *Entire Agreement*

Except as otherwise indicated, the **Modified Second Amended** Plan (including the Plan Supplement) supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the ~~Plan; provided that the Restructuring Support Agreement shall remain in full force and effect in accordance with its respective terms~~**Modified Second Amended Plan**.

d. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in the **Modified Second Amended** Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

e. *Termination of Injunctions and Stays*

Unless otherwise provided in the **Modified Second Amended** Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and existing on the Confirmation Date

(excluding any injunctions or stays contained in the **Modified Second Amended** Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. For the avoidance of doubt, (a) upon the Effective Date, the automatic stay pursuant to Bankruptcy Code section 362 of any litigation proceedings against or involving the applicable Debtors shall terminate and (b) all injunctions or stays contained in the **Modified Second Amended** Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

f. ***Votes Solicited in Good Faith***

Upon Confirmation, the Debtors shall be deemed to have solicited votes on the **Modified Second Amended** Plan in good faith and in compliance with the Bankruptcy Code and, pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys shall be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of securities offered and sold under the **Modified Second Amended** Plan and any previous plan, and, therefore, none of any such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the **Modified Second Amended** Plan or the offer, issuance, sale, or purchase of the securities offered and sold under the **Modified Second Amended** Plan and any previous plan.

g. ***Dissolution of the Committee***

On the Effective Date, the Committee shall dissolve, and its members and the Retained Professionals of the Committee shall be released and discharged of and from all further authority, duties, responsibilities, and obligations related to and arising from and in connection with the Chapter 11 Cases, except with respect to any continuing confidentiality obligations; *provided*, *however*, that, the Committee shall continue to exist after the Effective Date and have standing and a right to be heard for the following limited purposes: (a) applications, and any relief related thereto, for payment of Retained Professional Fees of Retained Professionals of the Committee; and (b) any appeals of the Confirmation Order.

h. ***Closing of Chapter 11 Cases***

On and after the Effective Date, all of the Chapter 11 Cases of the Debtors shall be deemed closed except for one of the Chapter 11 Cases as determined by the Reorganized Debtors, and all contested matters and adversary proceedings relating to any of the Debtors (including Claim objections) shall be administered and heard in such Chapter 11 Case, irrespective of whether the contested matter or adversary proceeding was commenced against a Debtor whose Chapter 11 Case was closed. Upon the occurrence of the Effective Date, the Reorganized Debtors shall be permitted to change the name of the remaining Debtor and case caption of the remaining open Chapter 11 Case as desired, in the Reorganized Debtors' sole discretion.

The Reorganized Debtors may at any time seek to close any remaining Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

2. Contents of Modified Second Amended Plan

a. *Exhibits*

All exhibits, schedules, supplements, and appendices to the **Modified Second Amended** Plan (including any other documents to be executed, delivered, assumed, or performed in connection with Consummation of the **Modified Second Amended** Plan) are incorporated into and are a part of the **Modified Second Amended** Plan as if set forth in full in the **Modified Second Amended** Plan.

b. *Non-Severability*

Before Confirmation, if any term or provision of the **Modified Second Amended** Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors (with the consent of the Required ~~Consenting 1L~~**Secured** Noteholders**, not to be unreasonably withheld,** and in a manner consistent with the Specified Creditor Consent Rights (solely to the extent applicable)), shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the **Modified Second Amended** Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. Confirmation shall constitute a judicial determination and shall provide that each term and provision of the **Modified Second Amended** Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (a) valid and enforceable pursuant to its terms; (b) integral to the **Modified Second Amended** Plan and may not be deleted or modified without consent of the Debtors or the Reorganized Debtors, consistent with the terms set forth herein; and (c) non-severable and mutually dependent.

c. *Conflicts*

In the event of a conflict between the **Modified Second Amended** Plan and the Disclosure Statement, the terms of the **Modified Second Amended** Plan shall control in all respects. In the event of a conflict between the **Modified Second Amended** Plan (excluding the Plan Supplement) and the Plan Supplement, the terms of the relevant document in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement document or in the Confirmation Order). In the event of a conflict between the Confirmation Order and the **Modified Second Amended** Plan (including the Plan Supplement), the Confirmation Order shall control.

3. Notices

Any pleading, notice, or other document required by the **Modified Second Amended** Plan to be served on or delivered to the Debtors, or the Reorganized Debtors, shall be served on:

Wesco Aircraft Holdings, Inc.
2601 Meacham Blvd., Suite 400
Fort Worth, TX 76137
Attn: Dawn Landry

with a copy to:

Milbank LLP
55 Hudson Yards
New York, NY 10001
Attention: Dennis F. Dunne
Samuel A. Khalil
Benjamin M. Schak
Email: DDunne@Milbank.com
SKhalil@Milbank.com
BSchak@Milbank.com

and

Haynes and Boone, LLP
1221 McKinney Street, Suite 4000
Houston, TX 77010
Attention: **Charles A. Beckham, Jr.**
Patrick L. Hughes
Email: **Charles.Beckham@HaynesBoone.com**
Patrick.Hughes@HaynesBoone.com

and with copies to the First Lien Noteholder Group, Carlyle, Sponsor, the Committee, and Langur Maize, each delivered to the addresses specified in the **Modified Second Amended** Plan.

After entry of the Confirmation Order, the Debtors shall notify all Persons entitled to notice of filings in the Chapter 11 Cases that each such Person (other than the U.S. Trustee) must file a renewed request pursuant to Bankruptcy Rule 2002 in order to continue to receive documents that are filed after the Effective Date. After service of that notice and Consummation of the **Modified Second Amended** Plan, the Reorganized Debtors shall be authorized to limit the list of Persons receiving documents pursuant to Bankruptcy Rule 2002 to the Reorganized Debtors, the U.S. Trustee and those Persons that have filed renewed requests.

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SECTION V.
VOTING PROCEDURES AND REQUIREMENTS

A. WHO MAY VOTE

1. Voting Classes

As explained above at Section IV.B.1.b (entitled "~~Standards for Acceptance of a Plan~~Standards for Acceptance of a Plan"), the Bankruptcy Code does not provide all holders of claims and interests the right to vote on a chapter 11 plan. Creditors or equity interest holders whose claims or interests are not Impaired by a plan are conclusively presumed to have accepted the plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote. Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "Impaired" under a plan unless (a) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof, or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default. Creditors and equity interest holders whose claims or interests are Impaired by a plan, but who will receive no distribution under ~~a~~the plan, are also not entitled to vote because they are deemed to have rejected the plan pursuant to section 1126(g) of the Bankruptcy Code. **The Modified Second Amended Plan materially and adversely changes the treatment of 1L Notes Claims (Class 4) and materially changes the treatment of 2026 Notes Claims (Class 6). Accordingly, the Debtors will re-solicit the votes of Classes 4 and 6. All other Classes entitled to vote have already been solicited according to the Solicitation and Voting Procedures previously approved by the Court in the *Order (I) Approving the Disclosure Statement, (II) Approving Solicitation and Voting Procedures, (III) Approving Forms of Ballots, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Procedures* [Dkt. No. 1228], which remain in full force and effect with respect to all Classes other than Classes 4 and 6.**

2. Voting Record Date

Consistent with the provisions of Bankruptcy Rule 3018(b), the Debtors have fixed ~~January 9~~September 3, 2024 as the "*Voting Record Date*" for the determination of holders of Claims entitled to vote to accept or reject the Modified Second Amended Plan.

3. Fiduciaries and Other Representatives

If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other Entity acting in a fiduciary or representative capacity, that Entity must indicate such capacity when signing. If requested by the Debtors, the signing Entity will be required to submit evidence satisfactory to the Debtors of its authority to so act. Each authorized signatory must submit a separate Ballot for each holder on whose behalf the authorized signatory is voting.

B. Voting Deadline

Each Ballot must be submitted to and ***actually received by*** the Solicitation Agent at or before the Voting Deadline (***5:00 p.m. (Central ~~Standard~~ Time) on ~~February 15~~September 27, 2024***), unless the Debtors extend the Voting Deadline. Except to the extent requested by the Debtors, in their sole discretion, or as ordered by the Bankruptcy Court pursuant to Bankruptcy Rule 3018, no Ballot received by the Solicitation Agent after the Voting Deadline will be counted or otherwise used in connection with the Debtors' request for confirmation of the **Modified Second Amended** Plan.

The Debtors expressly reserve the right to extend the Voting Deadline by oral or written notice to the Solicitation Agent. The Debtors may extend the Voting Deadline an unlimited number of times, may extend the Voting Deadline by any increment, and may extend the Voting Deadline retroactively. The Debtors will have no obligation to publish, advertise, or otherwise communicate any such extension, other than by notifying each of the Prepetition Indenture Trustees for conveyance to the noteholders in their respective facilities, posting a notice on the Solicitation Agent's website at ~~https://www.kccllc.net/Incora~~**https://www.veritaglobal.net/Incora**, and filing a notice of the extension with the Bankruptcy Court.

The Debtors offer no assurance that they will exercise their right to extend the Voting Deadline, and votes may not be transmitted orally, by fax, by email (except for Master Ballots submitted via email), or by any other means not approved by the Court. Accordingly, each eligible holder of a Claim or Interest is urged to return its completed and signed Ballot promptly.

C. Establishing Claim Amounts for Voting Purposes

The Claim amount established by the Solicitation and Voting Procedures shall control for voting purposes only and shall not constitute the Allowed amount of any Claim. Moreover, any amounts filled in on any Ballot by the Debtors through the Solicitation Agent or the holder of the Claim, as applicable, are not binding for purposes of allowance and distribution. In tabulating votes, the following hierarchy will be used to determine the amount of the Claim associated with each claimant's vote:

a. the Claim amount: (i) specified in the Solicitation and Voting Procedures; (ii) settled and/or agreed by the Debtors, as reflected in a document filed with the Court; (iii) set forth in an order of the Court; or (iv) set forth in a document executed by the Debtors pursuant to authority granted by the Court;

b. the Claim amount Allowed pursuant to a Resolution Event under the procedures set forth in the Solicitation and Voting Procedures;

c. the Claim amount contained in a Proof of Claim that has been timely filed (or deemed timely filed by the Court under applicable law), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided* that Ballots cast by holders of Claims who timely file a Proof of Claim in respect of a contingent Claim (for example, a claim based on pending litigation) or in a wholly-unliquidated or unknown amount based on a reasonable review of the Proof of Claim and supporting documentation by

the Debtors or their advisors that is not the subject of an objection will count for satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and will count in the amount of $1.00 for the purposes of satisfying the amount requirement of section 1126(c) of the Bankruptcy Code, and, if a Proof of Claim is filed as partially liquidated and partially unliquidated, such Claim will be counted for voting purposes only in the liquidated amount; *provided*, *further*, that, to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount set forth in a document filed with the Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Court shall supersede the Claim amount set forth on the Proof of Claim;

d. the Claim amount listed in the Schedules, so long as the Claim (i) is not scheduled as contingent, disputed, or unliquidated and/or has not been paid (in which case, such contingent, disputed, or unliquidated scheduled Claim shall be disallowed for voting purposes) and (ii) has not been superseded by a timely Proof of Claim; and

e. if none of the foregoing applies to a Claim, the Claim will be disallowed for voting purposes.

If a Proof of Claim is amended, the last timely Proof of Claim shall be subject to these rules and will supersede any earlier Claim, which will then be disallowed for voting purposes.

The aggregate Allowed amounts for the 1L Notes Claims, 2024 Unsecured Notes Claims, 2026 ~~Unsecured~~ Notes Claims, and the 2027 Unsecured Notes Claims (collectively, the "*Notes Claims*") for voting purposes will be the Allowed amount of such Claims that is proposed under the **Modified Second Amended** Plan. Furthermore, the amount ascribed to each directly registered holder or Nominee will be proportionate to the principal amount of the respective Notes held by such directly registered holder or Nominee as of the Voting Record Date, as evidenced by the books and records of the respective Indenture Trustees and by securities position reports of the Depository Trust Company ("*DTC*").

D. VOTING PROCEDURES

1. Ballot Submission

Each Ballot enclosed with this Disclosure Statement is marked with the Class in which the corresponding Claim has been placed under the **Modified Second Amended** Plan. All votes to accept or reject the **Modified Second Amended** Plan must be cast by properly submitting the duly completed and executed Ballot in accordance with the instructions set forth on the applicable Ballot. If you wish to vote on the **Modified Second Amended** Plan, you must complete and sign your Ballot in accordance with the instructions printed on the Ballot, being sure to check one (and only one) of the boxes labeled "**Accept** (vote **for**) the **Modified Second Amended** Plan as to each Debtor" or "**Reject** (vote **against**) the **Modified Second Amended** Plan as to each Debtor." Any executed Ballot that does not indicate either acceptance or rejection of the **Modified Second Amended** Plan, or that indicates both acceptance and rejection of the **Modified Second Amended** Plan, will not be counted.

Each holder of multiple Claims within a single Class must vote each of its Claims within that Class either to accept or to reject the **Modified Second Amended** Plan and may not split its vote. If a holder of Claims holds multiple Claims within a particular Class, the Debtors may, in their discretion, instruct the Solicitation Agent to aggregate that holder's Claims within the applicable Class for the purpose of counting votes.

As set forth in greater detail on each Ballot's instructions, each Ballot may be submitted in paper form. Each Class 7a Ballot (excluding those in respect of 2024 Unsecured Notes Claims, 2026 ~~Unsecured~~ Notes Claims, and 2027 Unsecured Notes Claims), Class 7b Ballot and Record Holder Ballot may alternatively be submitted electronically through the Solicitation Agent's e-ballot portal (an "*E-Ballot*"); *provided that* each voting holder of a Claim submitting such a Ballot may choose either method at its own risk and should allow sufficient time for timely delivery by the Voting Deadline. Ballots will ***not*** be accepted by fax, email, or other means; *provided that* Master Ballots may be submitted by email in accordance with the Master Ballot's instructions.

If you are entitled to vote and you did not receive a correct Ballot, received a damaged Ballot, or lost your Ballot, please contact the Solicitation Agent through its website at ~~www.kccllc.net/incora/inquiry~~**www.veritaglobal.net/incora/inquiry** or by phone at (888) 251-2937 (U.S./Canada) or +1 (310) 751-2613 (International).

2. Ballot Submission by Beneficial Noteholders and Their Nominees

a. *Record Holders*

A beneficial holder of a Notes Claim that holds a Claim as a record holder in its own name should vote on the **Modified Second Amended** Plan by completing and signing a Ballot (a "*Record Holder Ballot*") and returning it directly to the Solicitation Agent on or before the Voting Deadline. The voting amounts of any record holder of a Claim will be the amounts set forth on the books and records of the applicable indenture trustee as of the Voting Record Date.

b. *Beneficial Holders Holding Through DTC Nominees*

i. *Beneficial Holders*

In addition to the foregoing generally applicable voting and ballot tabulation procedures, the following procedures shall apply to Beneficial Holders of Notes Claims who hold their position through a broker, bank, or other nominee or an agent of a broker, bank, or other nominee (each of the foregoing, a "*Nominee*"). A beneficial holder that holds its claim in "street name" through a Nominee (a "*Beneficial Holder*") may vote on the **Modified Second Amended** Plan through one of the following two methods, as selected by the Beneficial Holder's Nominee:

- Each Beneficial Holder that holds its Claim through a particular Nominee will complete and sign a Ballot (a "*Beneficial Holder Ballot*") and return it to its Nominee, in the manner directed by the Nominee and according to any deadline prescribed by the Nominee to ensure that the Nominee can collect and review Beneficial Holder Ballots and return a completed "master" ballot (a "*Master Ballot*") to the Solicitation Agent by the Voting Deadline.

or

- Each Beneficial Holder that holds its Claim through a particular Nominee will receive a pre-validated Beneficial Holder Ballot from its Nominee, which the Beneficial Holder must return directly to the Solicitation Agent by the Voting Deadline.

If it is a Nominee's customary practice to forward solicitation information to Beneficial Holders and to collect votes from them by voter information form ("*VIF*"), email, telephone or other means of communication, the Nominee may employ that method instead of sending a paper Beneficial Holder Ballot and Solicitation Package.

No Beneficial Holder Ballot delivered to a Nominee will be counted unless the Nominee properly delivers to the Solicitation Agent, by the Voting Deadline, either (a) that Beneficial Holder Ballot with proper validation or (b) a Master Ballot that incorporates the Beneficial Holder's vote and (if applicable) other elections.

If a Beneficial Holder holds Claims through more than one Nominee or through multiple accounts, it may receive more than one Beneficial Holder Ballot. It should then execute a separate Beneficial Holder Ballot for each block of Claims that it holds through a Nominee and return each such Beneficial Holder Ballot to the appropriate Nominee.

Votes cast by Beneficial Holders through Nominees will be applied to the positions held by those Nominees, as of the Voting Record Date, as evidenced by securities position reports obtained from the Depository Trust Company. Votes submitted by a Nominee pursuant to a Master Ballot will not be counted in excess of the amount of recorded Claims held by the Nominee as of the Voting Record Date.

ii. *Nominees*

A Nominee that is the DTC account holder of Claims on behalf of one or more Beneficial Holders shall obtain votes and other elections from those Beneficial Holders consistent with customary practices for obtaining the votes of securities held in "street name," in one of the following two ways:

- *Pre-Validated Ballots.* The Nominee may "pre-validate" a Beneficial Holder Ballot by (a) signing the Beneficial Holder Ballot; (b) indicating on the Beneficial Holder Ballot the amount and the account number of the Claims held by the Nominee for the particular Beneficial Holder; and (c) forwarding the Beneficial Ballot, together with the Disclosure Statement, a postage-paid return envelope pre-addressed to the Solicitation Agent, and other materials requested to be forwarded, to the Beneficial Holder for voting. The Beneficial Holder must then complete the information requested in the Beneficial Ballot and return the Beneficial Ballot directly to the Solicitation Agent in the pre-addressed, postage-paid return envelope so that it is received by the Solicitation Agent on or before the Voting Deadline. A list of the Beneficial Holders to whom "pre-validated"

Beneficial Ballots were delivered should be maintained by Nominees for inspection for at least one year from the Voting Deadline.

- *Master Ballots.* The Nominee may obtain the votes of Beneficial Holders by forwarding to each Beneficial Holder an unsigned Beneficial Holder Ballot through mail, VIF, email, or any other reliable and customary method of collecting votes from a Beneficial Holder, together with the Disclosure Statement, a postage-paid return envelope addressed to the Nominee (in the case of a physical mailing), and other materials requested to be forwarded. Each such Beneficial Holder must then indicate its vote and other elections on the Beneficial Holder Ballot, complete the information requested on the Beneficial Holder Ballot, review the certifications contained on the Beneficial Holder Ballot, execute the Beneficial Holder Ballot, and return the Beneficial Holder Ballot to the Nominee. If it is accepted practice for a Nominee to collect votes through a VIF, email, or other method, the Beneficial Holder shall follow the Nominee's instruction for completing and submitting its votes to the Nominee. After collecting the Beneficial Holders' votes, the Nominee should, in turn, complete a Master Ballot compiling the votes and other information from the Beneficial Holders, execute the Master Ballot, and deliver the Master Ballot to the Solicitation Agent so that it is received by the Solicitation Agent at or before the Voting Deadline. All Beneficial Ballots returned by Beneficial Holders should either be forwarded to the Solicitation Agent along with the Master Ballot or retained by the Nominee for inspection for at least one year from the Voting Deadline. **Each Nominee should advise its Beneficial Holders to return their Beneficial Ballots to the Nominee by a date and time calculated by the Nominee to allow it to prepare and return the Master Ballot to the Solicitation Agent so that the Master Ballot is received by the Solicitation Agent on or before the Voting Deadline.**

3. Notices of Non-Voting Status for Holders of 1.25L Notes and PIK Notes

The Debtors may apply similar procedures as the foregoing to distribute Notices of Non-Voting Status to holders of 1.25L Notes and PIK Notes and to allow such holders to opt out of the Third-Party Releases.

4. Opt-Out from Releases

The **Modified Second Amended** Plan contains the Third-Party Release described above at Section IV.J.4.f. You may opt out of the Third-Party Release by checking the box labeled "**Opt out** of the Third-Party Release" that follows the Third-Party Release provisions on the applicable Ballot

or Non-Voting Status Notice. If you opt out of consenting to the Third-Party Release, then you will not be a Released Party, even if you would otherwise be entitled to be a Released Party.

Regardless of whether you vote on acceptance or rejection of the Modified Second Amended Plan, you must return your Ballot or Non-Voting Status Notice at or before the Voting Deadline in compliance with the instructions in order to opt out of the Third-Party Release.

5. Withdrawal or Change of Votes

If multiple Ballots are received from the same holder with respect to the same Claim prior to the Voting Deadline, the last properly executed, timely submitted electronic Ballot will be deemed to reflect that voter's intent and will supersede and revoke any prior Ballot. If no such electronic Ballot submission is made, the last properly executed, timely submitted paper Ballot will be deemed to reflect that voter's intent and will supersede and revoke any prior paper Ballot submission. Following the Voting Deadline, a holder may not change its vote in a previously cast Ballot from acceptance to rejection, without first obtaining authority from the Bankruptcy Court pursuant to the requirements of and in compliance with Bankruptcy Rule 3018(a).

6. Waivers of Defects and Irregularities

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawal of Ballots will be determined by the Debtors in their sole discretion, which determination will be final and binding. Effective withdrawals of Ballots must be delivered to the Solicitation Agent prior to the Voting Deadline. The Debtors reserve the absolute right to contest the validity of any purported withdrawal. The Debtors also reserve the right to reject any and all Ballots not in proper form or the acceptance of which would, in the opinion of the Debtors or their counsel, be unlawful. The Debtors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot or to waive the Voting Deadline as to any particular Ballot, in each case with notice to the Committee and notice to and consent of the Required ~~Consenting 1L~~Secured Noteholders, subject to contrary order of the Bankruptcy Court. The Debtors' interpretation of the Ballot and its instructions will be final and binding on all parties, unless otherwise ordered by the Bankruptcy Court. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Bankruptcy Court) determine. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots, nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

E. Agreements upon Furnishing Ballots

The delivery of a Ballot that votes to accept the Modified Second Amended Plan will constitute the agreement of the corresponding creditor with respect to such Ballot to accept: (a) all

of the terms of, and conditions to, the Solicitation; and (b) the terms of the **Modified Second Amended** Plan including the injunction, releases, and exculpations set forth in the **Modified Second Amended** Plan. The Debtors will note in the Voting Report all defects or irregularities or conditions of delivery that were waived as to any particular Ballot, all Ballots as to which the Voting Deadline was waived, all Ballots that were rejected (along with the reason for rejection), and all opt outs to the Releases.

F. Further Information and Additional Copies

If you have any questions about the Solicitation, your Ballot or the procedures for voting, or to request additional copies of the Solicitation Materials, please call the Solicitation Agent's hotline at (888) 251-2937 (~~toll-free in the~~ U.S.~~ and~~ /Canada) or +1 (310) 751-2613 (international), or submit an electronic inquiry to the Solicitation Agent at ~~www.kccllc.net/incora/inquiry~~**www.veritaglobal.net/incora/inquiry**.

The Solicitation Agent cannot answer legal questions regarding the **Modified Second Amended** Plan. For legal assistance (including regarding the **Modified Second Amended** Plan or the Third-Party Release), please consult your own legal counsel.

[Remainder of page intentionally blank]

SECTION VI.
CONFIRMATION OF MODIFIED SECOND AMENDED PLAN

A. CONFIRMATION HEARING

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, upon appropriate notice to all required parties, to hold a hearing on confirmation of the **Modified Second Amended** Plan. Notice of the confirmation hearing will be provided to all known creditors and equity holders or their counsel. The confirmation hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the hearing itself or on the docket for the Chapter 11 Cases. Additionally, the Confirmation Hearing shall be adjourned in the event any notice of a breach or a 1L Noteholder Termination Event (as defined in the Restructuring Support Agreement) as to the Debtors has been delivered by the Required ~~Consenting 1L~~**Secured** Noteholders under the Restructuring Support Agreement until (a) such alleged breach is cured (if capable of cure), (b) such notice has been rescinded by the Required ~~Consenting 1L~~**Secured** Noteholders or (c) the Court determines that there is no breach or 1L Noteholder Termination Event under the Restructuring Support Agreement.

B. OBJECTIONS TO CONFIRMATION

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. Any objection to confirmation of the **Modified Second Amended** Plan must (a) be in writing, (b) conform to the Bankruptcy Rules and the Local Rules, and any orders of the Bankruptcy Court, (c) set forth the name and address of the objecting party and the nature and amount of Claims or Interests held or asserted by the objecting party, (d) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the **Modified Second Amended** Plan (or related materials) that would resolve such objection, and (e) be filed with the Bankruptcy Court (contemporaneously with a proof of service) and served so as to be received no later than the date and time designated in the notice of the confirmation hearing. No objection shall, without leave of the Bankruptcy Court, exceed forty pages (excluding any tables, exhibits, addenda, or other supporting material).

Any objection to confirmation must be served on the following parties:

Debtors:
Incora
2601 Meacham Blvd., Suite 400
Fort Worth, TX 76137
Attn: Dawn Landry

Counsel to Debtors:

Milbank LLP
55 Hudson Yards
New York, NY 10001
Attn: Dennis F. Dunne
Samuel A. Khalil
Benjamin M. Schak

and

Haynes and Boone, LLP
1221 McKinney Street, Suite 400
Houston, TX 77010
Attn: Charles A. Beckham, Jr.
Patrick L. Hughes
~~Kelli S. Norfleet~~
-Re'Necia Sherald

Counsel to the Committee:

Morrison & Foerster LLP
250 West 55th Street
New York, NY 10019-9601
Attn: Lorenzo Marinuzzi
Theresa A. Foudy
Benjamin Butterfield

and

McDermott Will & Emery LLP
2501 North Harwood Street, Suite 1900
Dallas, TX 75201-1664
Attn: Charles Gibbs
Jack Haake

Counsel to First Lien Noteholder Group:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attn: Damian S. Schaible
Angela M. Libby
Stephanie Massman

and

Porter Hedges LLP
1000 Main Street, 36th Floor
Houston, TX 77002-6341
Attn: John Higgins
M. Shane Johnson
Megan Young-John
Bryan L. Rochelle

United States Trustee:
Kevin M. Epstein
United States Trustee Region 7
Southern and Western Districts of Texas
515 Rusk Avenue, Suite 3516
Houston, TX 77002
Attn: Jayson Ruff

C. REQUIREMENTS FOR CONFIRMATION

At the Confirmation Hearing, the Bankruptcy Court will confirm the **Modified Second Amended** Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among other requirements, the **Modified Second Amended** Plan must be (a) feasible and (b) in the "best interests" of holders of Impaired Claims and Interests.

1. Feasibility

Section 1129(a)(11) of the Bankruptcy Code permits a plan to be confirmed only if its confirmation "is not likely to be followed by liquidation or the need for further financial reorganization" of the debtor or any successor to the debtor. This requirement is often referred to as the "feasibility" test.

The Debtors believe that the **Modified Second Amended** Plan satisfies this requirement. For purposes of determining whether the **Modified Second Amended** Plan meets this requirement, the Debtors, in consultation with their financial advisors, have analyzed their ability to meet the obligations that they will incur or assume under the **Modified Second Amended** Plan. As part of that analysis, the Debtors have prepared consolidated projected financial results (the "*Financial Projections*") for each fiscal year following the Effective Date through 2027. These Financial Projections, and the assumptions on which they are based, are attached to this Disclosure Statement as **Exhibit B**. All holders of Claims who are entitled to vote to accept or reject the **Modified Second Amended** Plan are urged to examine carefully, in consultation with professional financial advisors, all of the assumptions on which the Financial Projections are based.

The Financial Projections have not been audited by a certified public accountant and have not necessarily been prepared in accordance with generally accepted accounting principles. The Debtors' management and advisors have prepared the Financial Projections. While the Financial Projections have been presented with numerical specificity, the Financial Projections are necessarily based on a variety of estimates and assumptions which, though considered reasonable by management, may not be realized and are inherently subject to significant business, economic, competitive, industry, regulatory, and market and financial uncertainties and contingencies, many of which will be beyond the Reorganized Debtors' control. The Debtors caution that they cannot make any representations as to the accuracy of the Financial Projections or to the Reorganized Debtors' ability to achieve the projected results. Some assumptions will inevitably differ from actual conditions. Furthermore, events and circumstances occurring after the date on which the Financial Projections were prepared may differ from any assumed facts and circumstances and may affect financial results in a materially adverse or materially beneficial manner. The Financial

Projections, therefore, should not be relied upon as a guarantee or other assurance of the actual results that will occur.

2. Best Interests

Section 1129(a)(7) of the Bankruptcy Code permits a plan to be confirmed only if each holder of an impaired claim or interest that did not vote to accept the plan, will "receive or retain under the plan on account of such claim or interest property of a value . . . that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7" of the Bankruptcy Code on the Effective Date of the plan. This requirement is often referred to as the "best interests" test.

Based on the Liquidation Analysis attached to this Disclosure Statement as **Exhibit C**, the Debtors believe that all holders of Impaired Claims and Interests will receive, under the **Modified Second Amended** Plan, property with a value greater than or equal to the value that they would have received in a chapter 7 liquidation.

To estimate the potential recoveries in a chapter 7 liquidation, the Debtors estimated the amount of liquidation proceeds that might be available for distribution (net of liquidation costs) and the allocation of those proceeds among the Classes of Claims and Interests based on their relative priorities under chapter 7 of the Bankruptcy Code.

The net amount of value available in a liquidation to the holders of unsecured Claims and all Interests would be reduced by, first, the Claims of secured creditors to the extent of the value of their respective collateral and, second, the administrative expenses and priority claims allowed in chapter 7. Those administrative expenses would include the compensation of a trustee, as well as counsel and other professionals retained by the trustee, asset disposition expenses, applicable taxes, litigation costs, unpaid administrative expenses incurred by the Debtors and the Committee in the Chapter 11 Cases, DIP Financing Claims and Claims arising from the Debtors' operations during the Chapter 11 Cases. The liquidation itself may trigger certain priority Claims that would otherwise be due in the ordinary course of business. Those priority Claims would have to be paid in full from the liquidation proceeds before any balance would be made available to pay unsecured Claims. The liquidation would also prompt the rejection of executory contracts and unexpired leases, and thereby create a significantly greater aggregate amount of unsecured Claims.

In a chapter 7 liquidation, no junior Class of Claims or Interests may be paid unless all Classes of Claims or Interests senior to such junior Class are paid in full. Section 510(a) of the Bankruptcy Code provides that subordination agreements are enforceable in a bankruptcy case to the same extent that such subordination agreements are enforceable under applicable non-bankruptcy law. Therefore, no Class of Claims or Interests that is contractually subordinated to another Class (such as the 1.25L Notes Claims vis-à-vis the 1L Notes Claims) would receive any payment on account of its Claims or Interests, unless and until such senior Class was paid in full. If the probable distribution to a Class through a chapter 7 liquidation has a value greater than the value of distributions to be received by the same Class under the **Modified Second Amended** Plan, the **Modified Second Amended** Plan is not in the best interests of the members of that Class and cannot be confirmed by the Bankruptcy Court.

The Liquidation Analysis demonstrates that each holder of Impaired Claims and Interests will receive at least as much, if not more, under the **Modified Second Amended** Plan as it would receive if the Debtors were liquidated under chapter 7. In particular, holders of 1.25L Notes Claims, 2026 ~~Unsecured~~ Notes Claims, 2024 Unsecured Notes Claims, 2027 Unsecured Notes Claims, other General Unsecured Claims, General Unsecured Convenience Claims**, 2024 Unsecured Notes Claims**, PIK Notes Claims and Existing Equity Interests would receive no value whatsoever in a liquidation under chapter 7. Therefore, the Debtors believe that the **Modified Second Amended** Plan satisfies the requirements of the "best interests" test.

3. Acceptance by Class

The Bankruptcy Code defines "acceptance" of a plan by a Class of (a) Impaired Claims as acceptance by creditors in that Class that hold at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of the Allowed Claims in such Class held by creditors that cast ballots for acceptance or rejection of the **Modified Second Amended** Plan and (b) Impaired Interests as acceptance by Interest holders that hold at least two-thirds (⅔) in amount of the Allowed Interests in such Class held by holders that cast ballots for acceptance or rejection of the **Modified Second Amended** Plan. However, any Class of Claims or Interests that is Unimpaired under the **Modified Second Amended** Plan is deemed to have accepted the **Modified Second Amended** Plan and is therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan. Likewise, any Class of Claims or Interests that does not entitle the holders of Claims or Interests to receive or retain any property under the **Modified Second Amended** Plan on account of such Claims or Interests is deemed to have rejected the **Modified Second Amended** Plan and is therefore not entitled to vote to accept or reject the **Modified Second Amended** Plan.

A plan may be confirmed if it is accepted by each impaired class of claims or interests, or if additional requirements (described below at Section VI.D, entitled "Additional Requirements for Non-Consensual Confirmation") are satisfied as to all non-accepting impaired classes.

Under the **Modified Second Amended** Plan, Classes 1, 2, 3, and 11 are Unimpaired and deemed to accept the **Modified Second Amended** Plan. Depending on its treatment, Class 9 is Unimpaired or is due to receive or retain no property under the **Modified Second Amended** Plan; in either case, it is not entitled to vote to accept or reject the **Modified Second Amended** Plan. Class 5, Class 8, Class 9 (in the event that a Claim in Class 9 receives or retains no property under the **Modified Second Amended** Plan) and Class 10 are deemed to reject the **Modified Second Amended** Plan.

4. Deemed Acceptance of a Class in Which No Votes Are Cast

If no votes to accept or reject the **Modified Second Amended** Plan are received with respect to a particular Class of Claims for which holders of such Claims are entitled to vote on the **Modified Second Amended** Plan with respect to such Claims, such Class shall be deemed to have voted to accept the **Modified Second Amended** Plan.

D. Additional Requirements for Non-Consensual Confirmation

1. Cram-Down

If any impaired class of claims or interests votes to reject a plan or is deemed to reject a plan, the Bankruptcy Code nevertheless allows that plan to be confirmed over that class's rejection, so long as (a) at least one impaired class of claims accepts the plan, determined without including any acceptance of such plan by an insider (b) the plan satisfies each of the requirements of section 1129(a) other than the requirement for acceptance by each impaired class, and (c) the plan satisfies certain additional requirements set forth in section 1129(b) discussed below. This power to confirm a plan over dissenting classes—often referred to as "cram-down"—assures that no single group of claims or interests can block a restructuring that otherwise meets the requirements of the Bankruptcy Code and is in the interests of the other constituents in the case.

The additional requirements referred to above are that the plan may not "discriminate unfairly" against an impaired dissenting class and must be "fair and equitable" toward an impaired dissenting class.

The Debtors intend to pursue confirmation through cram-down, if necessary, as to Class 5 (1.25L Notes Claims), Class **6 (2026 Notes Claims), Class** 7a (General Unsecured Claims), Class 7b (General Unsecured Convenience Claims), **Class 7c (2024 Unsecured Notes Claims),** Class 8 (PIK Notes Claims), and Class 10 (Existing Equity Interests), but not as to Class 4 (1L Notes Claims). (Additionally, the Debtors submit that the cram-down requirements should not be applied strictly to Class 9 (Intercompany Claims), which have no economic substance and will be impaired only to preserve, improve, or simplify the accounting or tax position of the Debtors' reorganized enterprise. In any event, each holder of an Intercompany Claim is a proponent of the **Modified Second Amended** Plan and has therefore waived any objection to its treatment under the **Modified Second Amended** Plan.)

2. No Unfair Discrimination

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority and legal character but are receiving different treatment under the **Modified Second Amended** Plan. The test does not require that the treatment be the same but that such treatment be "fair." Bankruptcy courts consider several factors in determining whether a plan discriminates "unfairly," and accordingly, a plan could treat two classes differently without unfairly discriminating against the class receiving inferior treatment. This test applies only to classes that reject or are deemed to reject the plan.

The Debtors believe that the **Modified Second Amended** Plan satisfies the "unfair discrimination" test as to Classes 5, **6,** 7a, 7b, **7c,** 8, and 10.

3. Fair and Equitable

A chapter 11 plan is fair and equitable with respect to a dissenting class only if no class senior to such dissenting class receives more than it is entitled to on account of such senior claims

or interests. The "fair and equitable" test imposes certain statutory requirements that depend on the type of claims or interests in the dissenting class.

To be fair and equitable with respect to a dissenting class of impaired secured claims, a plan must provide that each holder of such a claim either (a) retains liens on its collateral (or, if the collateral is sold, on the proceeds) to the extent of the allowed amount of the secured claim and also receives deferred cash payments having a value, as of the plan's consummation, of at least the allowed amount of the secured claim, or (b) otherwise receives the "indubitable equivalent" of its secured claim. **The provisions of section 1129(b) addressing secured claims are satisfied as to the 2026 Notes Claims.**

To be fair and equitable with respect to a dissenting class of impaired unsecured claims, a plan must provide that either (a) each holder of such a claim receives or retains property having a value, as of consummation of the plan, equal to the allowed amount of its claim, or (b) no holders of claims or interests that are junior to the claims in the dissenting class will receive or retain any property under the plan on account of its junior claim or interest.

The Debtors believe that the 1.25L Notes Claims are completely unsecured pursuant to section 506(a) of the Bankruptcy Code and that the 2024 Unsecured Notes Claims ~~and the 2026 Unsecured Notes Claims~~ are completely unsecured as a result of the 2022 Financing Transactions **and the Court's Ruling**. Accordingly, the provisions of section 1129(b) addressing secured claims are not applicable.

The provisions of section 1129(b) addressing unsecured claims are satisfied as to the 1.25L Notes Claims, the General Unsecured Claims, ~~and~~ the General Unsecured Convenience **Claims, and the 2024 Unsecured Notes** Claims because no holders of Claims or Interests that are junior to those Classes will receive or retain any property on account of those Claims or Interests. The only junior Claims or Interests that exist against the Debtors are those that will be Reinstated for the purpose of preserving the Debtors' organizational structure. Unless otherwise provided for in the Description of Restructuring Transactions, Wolverine Intermediate Holding will be permitted to retain its Interests in the Debtors solely for the purpose of preserving the business's organizational structure and in consideration of its distribution of new securities and assumption of new debt pursuant to the **Modified Second Amended** Plan and the cancellation of the equity interests of its own members—not on account of its existing Interests in the Debtors.

For ~~these~~**the foregoing** reasons, the Debtors believe that the "fair and equitable" test is satisfied as to Classes 5, **6,** 7a, ~~and~~ 7b**, and 7c**.

The provisions of section 1129(b) are likewise satisfied as to the PIK Notes Claims because the Existing Equity Interests in Wolverine Intermediate Holding will receive no distributions on account of the **Modified Second Amended** Plan.

To be fair and equitable with respect to a dissenting class of impaired equity interests, a plan must provide that either (a) each holder of such an interest receives or retains property having a value, as of consummation of the plan, equal to the greater of (i) the allowed amount of any fixed liquidation preference or fixed redemption price of its interest and (ii) the value of its interest, or (b) no holders of interests that are junior to the interests in the dissenting class will receive or retain

any property under the plan on account of its junior claim or interest. No Claims or Interests are junior to the Existing Equity Interests, so no such Claims or Interests will receive or retain any property under the **Modified Second Amended** Plan. Accordingly, the Debtors believe that the "fair and equitable" test is satisfied as to Class 10.

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SECTION VII.
FEDERAL INCOME TAX CONSIDERATIONS

A. IMPORTANCE OF OBTAINING INDEPENDENT PROFESSIONAL TAX ADVICE

The tax consequences of the Modified Second Amended Plan are complex. The following summary does not discuss all aspects of U.S. federal income taxation or other taxation that may be relevant to the Debtors or to any particular holder of Claims in light of its particular circumstances and income tax situation. This summary is not a substitute for careful tax planning and advice based on individual circumstances that pertain to a particular holder of a Claim. Each holder of a Claim should consult with its tax advisors as to the consequences of the transactions contemplated by the Modified Second Amended Plan, including the application and effect of federal, state, local, or non-U.S. laws regarding income, estate and other taxation, and of any changes in those laws.

B. TAX CONSEQUENCES OF THE RESTRUCTURING

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Modified Second Amended Plan to the Debtors and the Reorganized Debtors, and holders of Allowed 1L Notes Claims, Allowed 2026 Notes Claims, Allowed 2024 Unsecured Notes Claims, Allowed General Unsecured Claims and Allowed General Unsecured Convenience Claims (collectively, the "*Addressed Claims*"). This summary is based on the Internal Revenue Code of 1986, as amended (the "*Tax Code*"), the U.S. Treasury Regulations promulgated under the Tax Code (the "*Treasury Regulations*"), judicial decisions and published administrative rules and pronouncements of the Internal Revenue Service (the "*IRS*"), all as in effect on the date of this Disclosure Statement (collectively, "*Applicable Tax Law*"). **This discussion is based on the Debtors' current understanding of the expected terms of the Definitive Documents, specifically with respect to the Takeback Debt, some of which have not yet been proposed nor approved by the Bankruptcy Court, and the U.S. federal income tax consequences to a holder of an Addressed Claim may differ materially from those discussed herein if the Definitive Documents ultimately approved were to differ from the Debtors' expectation.** Changes in Applicable Tax Law may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. The Debtors have not requested, and do not intend to request, any ruling or determination from the IRS or any other taxing authority with respect to the tax consequences discussed in this Disclosure Statement, and the discussion below is not binding upon

the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed in this Disclosure Statement.

This summary does not address foreign, state, local, gift, or estate tax consequences of the **Modified Second Amended** Plan, nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to a holder in light of its individual circumstances or to a holder that may be subject to special tax rules (such as persons who are related to the Debtors within the meaning of the Tax Code, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, real estate investment trusts, regulated investment companies, passive foreign investment companies, controlled foreign corporations, tax-exempt organizations, pass-through entities, beneficial owners of pass-through entities, trusts, governmental authorities or agencies, dealers and traders in securities, subchapter S corporations, persons who hold Claims as part of a straddle, hedge, conversion transaction or other integrated investment, persons using a mark-to-market method of tax accounting, holders of Claims who are themselves in bankruptcy, persons subject to the alternative minimum tax or the "Medicare" tax on net investment income, U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, U.S. expatriates and accrual method taxpayers that report income on an "applicable financial statement"). Furthermore, this summary assumes that a holder of a Claim holds only Claims in a single Class and holds such Claims as "capital assets" (within the meaning of section 1221 of the Tax Code). This summary also assumes that**, unless as specifically noted below,** the various debt and other arrangements to which any of the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form. This summary does not discuss differences in tax consequences to holders of Claims that act or receive consideration in a capacity other than any other holder of a Claim of the same Class or Classes, and the tax consequences for such holders may differ materially from those described below. This summary does not address the U.S. federal income tax consequences to holders: (i) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the **Modified Second Amended** Plan or (ii) that are deemed to reject the **Modified Second Amended** Plan. Furthermore, this summary does not address the U.S. federal income tax consequences associated with the DIP Notes or DIP Financing Claims or the receipt of the New Exit Notes in satisfaction of the DIP Notes.

For purposes of this discussion, a "*U.S. Holder*" is a beneficial owner of an Allowed Addressed Claim that is: (1) an individual citizen or resident of the United States for U.S. federal income tax purposes; (2) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (A) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons have authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

For purposes of this discussion, a "*Non-U.S. Holder*" is a beneficial owner of an Allowed Addressed Claim that is not a U.S. Holder or a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity or arrangement treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a holder of an Allowed Addressed Claim, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partners (or other beneficial owners) of partnerships (or other pass-through entities) that are holders of Allowed Addressed Claims should consult their respective tax advisors regarding the U.S. federal income tax consequences of the **Modified Second Amended** Plan.

C. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE DEBTORS AND THE REORGANIZED DEBTORS

For U.S. federal income tax purposes, Wolverine Top Holding Corporation ("*Parent*"), a non-debtor, is the common parent of an affiliated group of corporations that files a single consolidated U.S. federal income tax return (the "*Tax Group*"), of which the Debtors are members or are either foreign corporations or flow-through entities, directly or indirectly, wholly-owned by a member of the Tax Group. The Debtors estimate that, as of the taxable year ending December 31, 2022, the Tax Group had federal net operating loss ("*NOL*") carryforwards of almost $22 million. In addition, the Debtors estimate that, as of the taxable year ending December 31, 2022, the Tax Group also had interest expense carryforwards of approximately $515 million. As discussed below, the Tax Group's NOLs and other tax attributes may be, in connection with the implementation of the **Modified Second Amended** Plan, significantly reduced, subject to limitation or entirely unavailable to the Reorganized Debtors, depending on the manner in which the Restructuring Transactions are consummated.

The tax consequences of the implementation of the **Modified Second Amended** Plan to the Debtors will differ depending on whether the Restructuring Transactions are structured as an actual or deemed taxable sale of the assets and/or stock of any Debtor or subsidiary of any Debtor (a "*Taxable Transaction*") or as a recapitalization or reorganization of the Debtors (a "*Reorganization Transaction*"). It has not yet been determined how the Restructuring Transactions will be structured. Such decision will depend on, among other things, whether assets being sold (or deemed to be sold) pursuant to any Taxable Transaction have an aggregate fair market value in excess of their aggregate tax basis (i.e., a "built-in gain") or an aggregate fair market value less than their aggregate tax basis (i.e., a "built-in loss"), the amount of any required reduction in the aggregate tax basis of such assets by excluded cancellation of indebtedness income ("*COD Income*"), whether sufficient tax attributes are available to offset any such built-in gain, future tax benefits associated with a step-up (if any) in the tax basis of the assets sold pursuant to a Taxable Transaction, and the amount and character of any losses with respect to the stock of any applicable Debtor or subsidiary thereof, in each case for U.S. federal, state and local income tax purposes.

If the transactions undertaken pursuant to the **Modified Second Amended** Plan are structured in whole or in part as a Taxable Transaction involving the transfer (or deemed transfer) of the Debtors' assets **(or stock of subsidiaries, as discussed further below)**, the Debtors generally would realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors plus certain liabilities treated as assumed (which aggregate amount generally should equal the fair market value of the assets transferred (or deemed to be transferred) by the Debtors, unless the amount of liabilities assumed exceeds the fair market value of the assets transferred or deemed to be transferred) and the Debtors' tax basis in such assets.

Realized gains, if any, may be offset by current-year losses and deductions, which may include interest deductions that may be (or become) available under section 163(j) of the Tax Code, NOL carryforwards from prior years, if any, and any worthless stock deduction claimed with respect to the equity of a Debtor that is available to offset all or a portion of such gains; provided that any such gain that is ordinary in nature may not be offset by capital losses. Any taxable gain remaining after such offsets would result in a cash tax obligation that would need to be satisfied by the Reorganized Debtors. If the Reorganized Debtors purchase (or are deemed to purchase) assets or stock of any Debtor pursuant to a Taxable Transaction, the Reorganized Debtors will take a fair market value basis in the transferred assets or stock. However, if a Taxable Transaction involves a purchase of stock, the Debtor whose stock is transferred (i) will retain its basis in its assets, unless the Debtors and/or Reorganized Debtors are eligible to make, and timely make, certain elections provided for under the Tax Code to treat such stock purchase as the purchase of such Debtor's assets, and (ii) may succeed to certain tax attributes of the Tax Group, subject to reduction for COD Income as discussed below. If the Restructuring Transactions are consummated as a Taxable Transaction treated as an asset transfer, the Debtors' NOLs and other tax attributes will not carry over to the Reorganized Debtors. The tax consequences to the Debtors of the Restructuring Transactions, including the potential amount of cash tax liability (if any) resulting from a Taxable Transaction, remain subject to ongoing analysis.

1. Cancellation of Debt and Reduction of Tax Attributes

In general, absent an exception, a debtor will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of: (i) the amount of Cash paid; (ii) the issue price of any new indebtedness of the taxpayer issued; and (iii) the fair market value of any other consideration (including stock of the debtor) given in satisfaction of such satisfied indebtedness at the time of the exchange.

Under section 108 of the Tax Code, a debtor is not, however, required to include any amount of COD Income in gross income if the debtor is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes (such as current year losses, NOL carryforwards, capital loss carryforwards, tax credits and tax basis in assets) by the amount of COD Income that it excluded from gross income pursuant to section 108 of the Tax Code. The reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Where the debtor joins in the filing of a consolidated U.S. federal income tax return, applicable Treasury Regulations require, in certain circumstances, that certain tax attributes of other members of the group also be reduced.

In connection with the implementation of the **Modified Second Amended** Plan, the Debtors are expected to realize significant COD Income. The exact amount of any COD Income that will be realized by the Debtors will depend, in part, on the value of the New Common Equity ~~and the "issue price" of~~, the New Takeback Notes ~~(as described below)~~**and the 2024 Notes Distribution Rights** and, therefore, will not be determinable until the consummation of the

Modified Second Amended Plan. The Debtors expect that the amount of COD Income will be sufficient to eliminate all of the Debtors' NOL carryforwards allocable to periods prior to the Effective Date. In addition, depending on the structure of the transactions undertaken pursuant to the **Modified Second Amended** Plan, some of the Debtors' tax basis in their assets may be reduced by COD Income. As noted above, whether or not the Reorganized Debtors succeed to the tax attributes of the Debtors will depend on whether the Restructuring Transactions are structured as a Taxable Transaction (and if a Taxable Transaction, whether it is treated as an asset sale or stock sale) or as a Reorganization Transaction.

2. Limitation of NOL Carryforwards and Other Tax Attributes

Under sections 382 and 383 of the Tax Code, if a corporation undergoes an "ownership change," the amount of any NOLs, interest expense carryforwards, tax credit carryforwards, net unrealized built-in losses, and possibly certain other attributes of the corporation allocable to periods prior to the ownership change (collectively, "*Pre-Change Losses*") that may be utilized to offset future taxable income generally are subject to an annual limitation. If the Reorganized Debtors succeed to any Pre-Change Losses, the implementation of the **Modified Second Amended** Plan is expected to result in an "ownership change" of the Reorganized Debtors and, as a result, the Reorganized Debtors' use of those Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the Tax Code applies. For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) $10,000,000 or (b) 15% of the fair market value of its assets (with certain adjustments) before the ownership change. On September 9, 2019, the IRS issued proposed ~~regulations~~**Treasury Regulations** that would significantly modify the calculation and treatment of net unrealized built-in gains and losses; however, the IRS amended the proposed effective date provision of those ~~regulations~~**Treasury Regulations** to exempt from the new ~~regulations~~**Treasury Regulations** ownership changes pursuant to chapter 11 cases filed prior to the ~~regulations~~**Treasury Regulations** becoming effective. Thus, if the proposed ~~regulations~~**Treasury Regulations** are finalized in their current form, the proposed ~~regulations~~**Treasury Regulations** are not expected to apply to the Reorganized Debtors and the remainder of this discussion assumes they will not apply.

a. *General Section 382 Annual Limitation*

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the "ownership change" (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" (~~3.81~~**3.62**% for ownership changes occurring in ~~December 2023~~**August 2024**). The section 382 limitation may be increased to the extent that the company recognizes certain built-in gains in its assets during the five-year period following the ownership change or is treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65 (in either case, up to the amount of the company's original net unrealized

built-in gain). Section 383 of the Tax Code applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

b. *Special Bankruptcy Exception*

An exception to the forgoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in a chapter 11 case receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the reorganized debtor (or a controlling corporation, if also in chapter 11) pursuant to a confirmed chapter 11 plan (the "*382(l)(5) Exception*"). Under the 382(*l*)(5) Exception, a debtor's Pre-Change Losses are not limited on an annual basis, but instead, NOL carryforwards and/or interest expense carryforwards will be reduced by the amount of any interest deductions claimed during the taxable year prior to and including the effective date of the plan of reorganization, in respect of all debt converted into stock in the reorganization. If the 382(*l*)(5) Exception applies and the Reorganized Debtors undergo another "ownership change" within two years after the Effective Date, then the Reorganized Debtors' Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(*l*)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor does not qualify for it or the debtor otherwise elects not to utilize the 382(*l*)(5) Exception), a second special rule will generally apply (the "*382(l)(6) Exception*"). Under the 382(*l*)(6) Exception, the annual limitation will be calculated by reference to the lesser of the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(*l*)(6) Exception also differs from the 382(*l*)(5) Exception in that under it the debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions claimed within the prior three-year period, and the debtor may undergo a subsequent change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation from the subsequent change of ownership would be determined under the regular rules for ownership changes.

If the Restructuring Transactions are structured as a Taxable Transaction that is treated as an asset transfer, the Reorganized Debtors are not expected to succeed to the Debtors' NOLs and other tax attributes, with the result that ~~Section~~**section** 382 should not be relevant to the Reorganized Debtors. If the Restructuring Transactions are structured as a Reorganization Transaction or a stock transfer where the Reorganized Debtors succeed to any of the Debtors' Pre-Change Losses, the application of section 382, including whether the 382(*l*)(5) Exception may apply, will need to be considered after taking into account any reduction of NOLs or other tax attributes for COD Income and the impact of any prior section 382 ownership changes to a portion of the Debtors' existing NOLs and other tax attributes.

D. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS

1. Tax Treatment of Class A New Equity and Class B New Equity and New Takeback Notes

Based on the terms of the New Common Equity and New Takeback Notes, Reorganized Incora intends to treat the New Common Equity and New Takeback Notes as equity of Reorganized Incora for U.S. federal income tax purposes. In the case of the New Takeback Notes**, Reorganized Incora intends to take the position that such instrument is not "preferred stock" for purposes of section 305 of the Tax Code. The remainder of this discussion assumes that the New Common Equity and New Takeback Notes will be treated as equity of Reorganized Incora and the New Takeback Notes will not be treated as "preferred stock" for purposes of section 305 of the Tax Code. In general, the characterization of an instrument for U.S. federal income tax purposes as debt or equity by its issuer as of the time of issuance is binding on a holder. This characterization, however, is not binding on the IRS or the courts. In particular, with respect to the New Takeback Notes, there can be no assurance that the IRS would not contend, and that a court would not ultimately hold, that the New Takeback Notes constitute debt of Reorganized Incora or as "preferred stock" for purposes of section 305 of the Tax Code (or, in each case, some other form of financial instrument). If the New Common Equity and New Takeback Notes were treated as something other than equity of Reorganized Incora for U.S. federal income tax purposes or, in the case of the New Takeback Notes, stock that is not "preferred stock" for purposes of section 305 of the Tax Code, the U.S. federal income tax consequences to holders of the New Common Equity and New Takeback Notes would be materially different from that described below. Each holder of New Common Equity and New Takeback Notes is urged to consult its own tax advisor regarding the U.S. federal income tax treatment of such instrument.**

2. ~~1.~~ Treatment of Claims as Securities

As discussed further below, the U.S. federal income tax consequences to holders of Allowed Addressed Claims may depend on whether the Allowed Addressed Claims constitute "securities" for U.S. federal income tax purposes. Neither the Tax Code nor the Treasury Regulations ~~promulgated under the Tax Code~~ defines the term "security". Whether a debt instrument constitutes a "security" is determined based on all relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the available collateral, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

The 2024 Unsecured Notes, the 2026 ~~Unsecured~~ Notes and the 2027 Unsecured Notes~~, that constitute General Unsecured Claims~~ were each issued in 2019 with an initial term of five ~~years~~, seven and eight years, respectively. The 1L Notes and 1.25L Notes were issued in 2022 as part of a debt exchange transaction. While the 1L Notes and 1.25L Notes each had an initial term of just four and five years, respectively, they were each received in exchange for prior debt having an initial term of five and eight years, respectively. Based on certain IRS guidance, in certain circumstances, a loan issued in exchange for a debt instrument that would have been treated as a security may be considered a security notwithstanding that the new loan has a term of less than five years. Each holder of an Allowed Addressed Claim is urged to consult its own tax advisor regarding whether such Allowed Addressed Claim should be treated as a "security" for U.S. federal income tax purposes.

3. ~~2.~~ Consequences of Exchange for U.S. Holders of Allowed Addressed Claims

a. *Gain or Loss on Allowed 1L Notes Claims*

On the ~~Plan~~ Effective Date, the holders of Allowed 1L Notes Claims will exchange their 1L Notes Claims for (x) New Common Equity and (y) New Takeback Notes. Pursuant to the **Modified Second Amended** Plan, the Debtors may also pay certain Restructuring Expenses attributable to the 1L Indenture Trustee and the First Lien Noteholder Group. It is possible that all or a portion of these payments may be treated as payment of cash to certain holders of Allowed 1L Notes Claims. The remaining discussion does not address the tax treatment to a U.S. Holder of Allowed 1L Notes Claims if any such amounts paid by the Debtors is treated as cash consideration with respect to the U.S. Holder's Allowed 1L Notes Claims. U.S. Holders are urged to consult their own tax advisors regarding the tax consequences of any such payment.

As described above, the U.S. federal income tax consequences to a U.S. Holder of an Allowed 1L Notes Claim will depend, in part, on whether the transactions undertaken pursuant to the **Modified Second Amended** Plan constitute, for U.S. federal income tax purposes, (a) a Taxable Transaction, or (b) a Reorganization Transaction and, if a Reorganization Transaction, the steps for implementing the **Modified Second Amended** Plan. The U.S. federal income tax consequences to U.S. Holders of Allowed 1L Notes Claims may further depend on whether the Allowed 1L Notes Claims surrendered constitute "securities" for U.S. federal income tax purposes.

Reorganization Transaction. If **either (i)** the Allowed 1L Notes Claims ~~are treated as~~ **constitute "**securities**"** for U.S. federal income tax purposes~~ and the Restructuring Transactions are structured as a Reorganization Transaction that otherwise qualifies for~~ **, the issuer of the New Common Equity and the New Takeback Notes (which are intended to be treated as equity for tax purposes, as described above)** is the issuer of the Allowed 1L Notes Claims **and the transaction is treated as a** "reorganization" ~~treatment~~ (within the meaning of section 368(a)(1) of the Tax Code) ~~or a~~**with respect to a U.S. Holder of Allowed 1L Notes Claims or (ii) the** transaction **is** described in ~~Section~~**section** 351 of the Tax Code~~, a U.S. Holder's exchange~~ **(which may apply even if the Allowed 1L Notes Claims are not treated as securities) with respect to a U.S. Holder of Allowed 1L Notes Claims, subject to the discussion under "—*Accrued Interest and OID*" below, a U.S. Holder** of Allowed 1L Notes Claims ~~for~~**will not recognize any gain or loss. A U.S. Holder's tax basis in the** New Common Equity and New Takeback Notes

~~should be treated as a fully tax-free (or partially tax-free) transaction for~~ **received by such holder (apart from amounts allocable to accrued but unpaid interest or accrued original issue discount ("*OID*"))** will equal the holder's tax basis in its Allowed 1L Notes Claims exchanged therefor, **with such basis allocable to the New Common Equity and New Takeback Notes based on their relative fair market values. Subject to the rules regarding accrued but unpaid interest and accrued OID, a U.S. Holder's holding period in the New Common Equity and New Takeback Notes received should include the holding period for** the Allowed 1L Notes Claims exchanged therefor**.**

Taxable Transaction. If the Restructuring Transactions are not described in the preceding paragraph, a U.S. Holder of an Allowed 1L Notes Claim~~. In addition to a requirement for "reorganization" treatment that U.S. Holder's Allowed 1L Notes constitutes a security for U.S. federal income tax purposes, the determination of whether the transaction is a reorganization, and whether the exchange is partially or fully tax-free, will depend on the identities of the issuer of~~ **is generally expected to recognize gain or loss with respect to such Claim equal to the difference between (i) the sum of the fair market value of its pro rata share of** the New Common Equity and ~~the~~ New Takeback Notes ~~and whether the New Takeback Notes themselves constitute "securities" for U.S. federal income tax purposes.~~**(other than amounts, if any, allocable to accrued but unpaid interest (including OID), discussed below under "*—Accrued Interest and OID*") and (ii) such U.S. Holder's tax basis in their Allowed 1L Notes Claims. The character of such gain or loss as capital or ordinary will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Allowed 1L Notes Claim constitutes a capital asset in such U.S. Holder's hands, whether the Allowed 1L Notes Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to** its Allowed 1L Notes Claim**. If the recognized gain is capital gain, it generally would be long-term capital gain if** the U.S. Holder has held **its Allowed 1L Notes Claim** for more than one year **at the time of the exchange**. The deductibility of capital losses is subject to **certain limitations (as discussed below). To the extent that a portion of the consideration received in exchange for its Allowed 1L Notes Claim is allocable to accrued but unpaid interest or OID, the U.S. Holder may recognize ordinary income. *See* "*—Accrued Interest and OID*" and "*—Market Discount*", below. In the case of a transaction described in this paragraph**, a U.S. Holder's tax basis in **the New Common Equity and New Takeback Notes received in respect of its Allowed 1L Notes Claim should be equal to** the fair market value of **the New Common Equity and New Takeback Notes, respectively**, and the U.S. Holder's **holding period for New Common Equity and New Takeback Notes received on the Effective Date should begin on the day following the Effective Date. It is possible that a U.S. Holder of an Allowed 1L Notes Claim will be required to defer the recognition of loss resulting from the exchange of an Allowed 1L Notes Claim for New Common Equity and New Takeback Notes if it is determined that the value of such New Common Equity and/or New Takeback Notes is sufficiently uncertain due to the Appellate Adjustment Mechanism. U.S. Holders are urged to consult their own tax advisors regarding the possibility that any loss may be deferred.**

b. *Gain or Loss on Allowed 2026 Notes Claims*

On the Effective Date, the holders of Allowed 2026 Notes Claims will exchange their 2026 Notes Claims for (x) New Common Equity and (y) New Takeback Notes. A portion of

the Allowed 2026 Notes Claims may be attributable to the 2026 Secured Fees and Expenses. The U.S. federal income tax treatment of the receipt of New Common Equity and New Takeback Notes for the portion of the Allowed 2026 Claims that is attributable to the 2026 Secured Fees and Expenses is unclear and it is possible that such New Common Equity and New Takeback Notes may be treated as additional consideration attributable to the 2026 Notes. Holders are urged to consult their own tax advisors regarding the tax consequences of such receipt.

As described above, the U.S. federal income tax consequences to a U.S. Holder of an Allowed 2026 Notes Claim will depend, in part, on whether the transactions undertaken pursuant to the Modified Second Amended Plan constitute, for U.S. federal income tax purposes**, (a) a Taxable Transaction, or (b) a Reorganization Transaction and, if a Reorganization Transaction, the steps for implementing the Modified Second Amended Plan. The U.S. federal income tax consequences to U.S. Holders of Allowed 2026 Notes Claims may further depend on whether the Allowed 2026 Notes Claims surrendered constitute "securities" for U.S. federal income tax purposes.**

~~If~~**Reorganization Transaction. If either (i)** the Allowed ~~1L~~**2026** Notes Claims constitute "securities" for U.S. federal income tax purposes**,** the issuer of the New **Common Equity and the New Takeback Notes (which are intended to be treated as equity for tax purposes, as described above) is the issuer of the Allowed 2026 Notes Claims** and the transaction is treated as a "reorganization" ~~or a transaction described in Section 351~~**(within the meaning of section 368(a)(1)** of the Tax Code**)** with respect to a U.S. Holder of Allowed ~~1L~~**2026** Notes **Claims or (ii) the transaction is described in section 351 of the Tax Code (which may apply even if the Allowed 2026 Notes Claims are not treated as securities) with respect to a U.S. Holder of Allowed 2026 Notes** Claims, subject to the discussion under "*—Accrued Interest and OID*" below, a U.S. Holder of Allowed ~~1L~~**2026** Notes Claims ~~should (i)~~**will** not recognize any gain or loss ~~as a result of the receipt of~~**. A U.S. Holder's tax basis in the** New Common Equity and New Takeback Notes ~~if the New Takeback Notes are "securities," and either the issuer of~~**received by such holder (apart from amounts allocable to accrued but unpaid interest or accrued OID) will equal the holder's tax basis in its Allowed 2026 Notes Claims exchanged therefor, with such basis allocable to** the New Common Equity and ~~the~~ New Takeback Notes ~~is the issuer of the Allowed 1L Notes Claims or, if the issuer of~~**based on their relative fair market values. Subject to the rules regarding accrued but unpaid interest and accrued OID, a U.S. Holder's holding period in** the New Common Equity ~~is not the issuer of the Allowed 1L Notes Claims, the New Common Equity is received in a transaction described in Section 351 of the Tax Code, or (ii) if the exchange is not described in (i), will not recognize any loss but should recognize gain, if any, but not in excess of an amount equal to (x) if the issuer of the New Common Equity is an entity other than the issuer of the Allowed 1L Notes Claims (and the New Common Equity is not received in a transaction described in Section 351 of the Tax Code) and the~~**and** New Takeback Notes ~~are "securities" and are issued by the issuer of~~**received should include the holding period for** the Allowed ~~1L~~**2026** Notes Claims~~, the fair market value of the New Common Equity received by the U.S. Holder, or (y) if~~ **exchanged therefor.**

Taxable Transaction. If the Restructuring Transactions are not described in the preceding paragraph, a U.S. Holder of an Allowed 2026 Notes Claim is generally expected to recognize gain or loss with respect to such Claim equal to the difference between (i) the sum

of the fair market value of its pro rata share of the New Common Equity and New Takeback Notes (other than amounts, if any, allocable to accrued but unpaid interest (including OID), discussed below under "*—Accrued Interest and OID*") and (ii) such U.S. Holder's tax basis in their Allowed 2026 Notes Claims. The character of such gain or loss as capital or ordinary will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Allowed 2026 Notes Claim constitutes a capital asset in such U.S. Holder's hands, whether the Allowed 2026 Notes Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to its Allowed 2026 Notes Claim. If the recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder has held its Allowed 2026 Notes Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations (as discussed below). To the extent that a portion of the consideration received in exchange for its Allowed 2026 Notes Claim is allocable to accrued but unpaid interest or OID, the U.S. Holder may recognize ordinary income. See "*—Accrued Interest and OID*" and "*—Market Discount*", below. In the case of a transaction described in this paragraph, a U.S. Holder's tax basis in the New Common Equity **and New Takeback Notes received in respect of its Allowed 2026 Notes Claim should be equal to the fair market value of the New Common Equity and New Takeback Notes, respectively, and the U.S. Holder's holding period for New Common Equity and New Takeback Notes received on the Effective Date should begin on the day following the Effective Date. It is possible that a U.S. Holder of an Allowed 2026 Notes Claim will be required to defer the recognition of loss resulting from the exchange of an Allowed 2026 Notes Claim for New Common Equity and New Takeback Notes if it is determined that the value of such** New Common Equity and/or New Takeback Notes **is sufficiently uncertain due to the Appellate Adjustment Mechanism. U.S. Holders are urged to consult their own tax advisors regarding the possibility that any loss may be deferred.**

c. ***Gain or Loss on Allowed 2024 Unsecured Notes Claims***

On the Effective Date, the holders of Allowed 2024 Unsecured Notes Claims will exchange their 2024 Unsecured Notes Claims for (x) New Common Equity and (y) the 2024 Notes Distribution Rights. As described above, the U.S. federal income tax **consequences to a U.S. Holder of an Allowed 2024 Unsecured Notes Claim will depend, in part, on whether the transactions undertaken pursuant to the Modified Second Amended Plan constitute, for U.S. federal income tax purposes, (a) a Taxable Transaction, or (b) a Reorganization Transaction and, if a Reorganization Transaction, the steps for implementing the Modified Second Amended Plan. The U.S. federal income tax consequences to U.S. Holders of Allowed 2024 Unsecured Notes Claims may further depend on whether the Allowed 2024 Unsecured Notes Claims surrendered constitute "securities"** for U.S. federal income tax purposes and the **appropriate U.S. federal income tax treatment of the 2024 Notes Distribution Rights, which treatment is uncertain.**

~~the~~ **Reorganization Transaction. If either (i) the Allowed 2024 Unsecured Notes Claims** constitute "securities" for U.S. federal income tax purposes**, the** issuer of the New Common Equity is the issuer of the Allowed ~~1L~~ **2024 Unsecured Notes Claim, the 2024 Notes Distribution Rights are considered stock or securities of the issuer, and the transaction is treated as a "reorganization"** (within the meaning of section 368(a)(1) of the Tax Code) **with respect to** a U.S. Holder of **Allowed 2024 Unsecured** Notes Claims ~~(~~or **(ii)** the ~~New Common~~

~~Equity is received in a~~ transaction **is** described in ~~Section~~**section** 351 of the Tax Code~~) and either the issuer of the New Takeback Notes is not the issuer of~~ **(which may apply even if** the Allowed ~~1L~~**2024 Unsecured** Notes Claims ~~or the New Takeback Notes~~ are not ~~"~~**treated as** securities~~", the fair market value of New Takeback Notes received by the U.S. Holder. A~~**) with respect to a U.S. Holder of Allowed 2024 Unsecured Notes Claims and the 2024 Notes Distribution Rights are considered stock of the issuer, subject to the discussion under "*—Accrued Interest and OID*" below, a U.S. Holder of Allowed 2024 Unsecured Notes Claims will not recognize any gain or loss. If the all of the above requirements are satisfied but, in the case of clause (i), the 2024 Notes Distribution Rights are not stock or securities of the issuer, or, in the case of clause (ii), the 2024 Notes Distribution Rights are not stock of the issuer, the 2024 Notes Distribution Rights will be considered "boot" and the U.S. Holder will not recognize loss, but will** recognize gain, if any, but not in excess of an amount equal to **the fair market value of the 2024 Notes Distribution Rights received by such U.S. Holder. If the 2024 Notes Distribution Rights are not "boot," a** U.S. Holder's tax basis in ~~any~~**the** New Common Equity and ~~New Takeback~~**2024** Notes **Distribution Rights** received ~~in a transaction described in (i) above~~**by such holder** (apart from amounts allocable to accrued but unpaid interest or accrued ~~original issue discount ("*OID*"))~~ ~~should generally equal the U.S. Holder's adjusted tax basis in its Allowed 1L Notes Claim exchanged therefor and should be allocated between New Common Equity and New Takeback Notes received in accordance with their fair market values. In a transaction described in (ii)(x) above, a U.S. Holder's tax basis in New Takeback Notes received by such holder~~**OID)** will equal the holder's tax basis in its Allowed ~~1L Notes~~**2024 Unsecured Notes Claims exchanged therefor, with such basis allocable to the New Common Equity and 2024 Notes Distribution Rights based on their relative fair market values. If the 2024 Notes Distribution Rights are treated as "boot," a U.S. Holder's tax basis in the New Common Equity received by such holder (apart from amounts allocable to accrued but unpaid interest or accrued OID) will equal the holder's tax basis in its Allowed 2024 Unsecured Notes** Claims exchanged therefor, increased by the amount of any gain recognized pursuant to such exchange and reduced by the fair market value of the ~~New Common Equity received, and the~~**2024 Notes Distribution Rights. A** U.S. Holder's tax basis in the ~~New Common Equity~~**2024 Notes Distribution Rights** received ~~will~~**by such holder should** equal the fair market value of ~~such equity. In a transaction described in (ii)(y) above, a U.S. Holder's tax basis in the New Common Equity will equal the holder's tax basis in its Allowed 1L Notes Claims exchanged therefor, increased by the amount of any gain recognized pursuant to such exchange and reduced by the fair market value of New Takeback Notes received, and the U.S. Holder's tax basis in New Takeback Notes received by such holder will equal the fair market value thereof~~**the 2024 Notes Distribution Rights**. Subject to the rules regarding accrued but unpaid interest and accrued OID, a U.S. Holder's holding period in ~~(A) the~~ New Common Equity ~~received in a transaction described in (i) or (ii)(y) above~~**and 2024 Notes Distribution Rights, if not considered "boot,"** should include the holding period for the Allowed ~~1L~~**2024 Unsecured** Notes Claims exchanged therefor~~, (B) New Takeback Notes received in a transaction described in (i) or (ii)(x) above should include the~~**. If the 2024 Notes Distribution Rights are considered "boot," a U.S. Holder's** holding period for ~~the Allowed 1L Notes Claims exchanged therefor, and (C) New Common Equity received in a transaction described in (ii)(x) above or New Takeback Notes received in a transaction described in (ii)(y) above should begin the day after~~**2024 Notes Distribution Rights received on** the Effective Date **should begin on the day following the Effective Date**.

Taxable Transaction. If the Restructuring Transactions are not described in the preceding ~~paragraphs~~**paragraph**, a U.S. Holder of an Allowed ~~1L~~**2024 Unsecured** Notes Claim is **generally** expected to recognize gain or loss with respect to such Claim equal to the difference between (i) the sum of ~~(a)~~ the fair market value of its pro rata share of the New Common Equity and ~~(b) the "issue price" of its New Takeback~~**2024** Notes **Distribution Rights** (other than amounts, if any, allocable to accrued but unpaid interest (including OID), discussed below under "*—Accrued Interest and OID*") and (ii) such U.S. Holder's tax basis in their Allowed ~~1L~~**2024 Unsecured** Notes Claims. The character of such gain or loss as capital or ordinary will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Allowed ~~1L~~**2024 Unsecured** Notes Claim constitutes a capital asset in such U.S. Holder's hands, whether the Allowed ~~1L~~**2024 Unsecured** Notes Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to its Allowed ~~1L~~**2024 Unsecured** Notes Claim. If the recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder has held its Allowed ~~1L~~**2024 Unsecured** Notes Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations (as discussed below). To the extent that a portion of the consideration received in exchange for its Allowed ~~1L~~**2024 Unsecured** Notes Claim is allocable to accrued but unpaid interest or OID, the U.S. Holder may recognize ordinary income. See "*—Accrued Interest and OID*" and "*—Market Discount*", below. In the case of a transaction described in this paragraph, a U.S. Holder's tax basis in the New Common Equity and ~~New Takeback~~**2024** Notes **Distribution Rights** received in respect of its Allowed ~~1L~~**2024 Unsecured** Notes Claim should be equal to the fair market value of the New Common Equity and ~~the issue price of the New Takeback Notes~~**2024 Notes Distribution Rights, respectively,** and the U.S. Holder's holding period for New Common Equity and ~~New Takeback~~**2024** Notes **Distribution Rights** received on the Effective Date should begin on the day following the Effective Date. **It is possible that a U.S. Holder of an Allowed 2024 Unsecured Notes Claim will be required to defer the recognition of loss resulting from the exchange of an Allowed 2024 Unsecured Notes Claim for New Common Equity and 2024 Notes Distribution Rights if it is determined that the value of such New Common Equity and/or 2024 Notes Distribution Rights is sufficiently uncertain due to the Appellate Adjustment Mechanism. U.S. Holders are urged to consult their own tax advisors regarding the possibility that any loss may be deferred.**

d. ~~b.~~ *Gain or Loss on Allowed General Unsecured Claims*

Pursuant to the **Modified Second Amended** Plan, in full and final satisfaction of Allowed General Unsecured Claims, each holder thereof will receive New Common Equity.

The U.S. federal income tax consequences to a U.S. Holder of Allowed General Unsecured Claims will depend, in part, on whether the transactions undertaken pursuant to the **Modified Second Amended** Plan constitute, for U.S. federal income tax purposes, (a) a Taxable Transaction, or (b) a Reorganization Transaction and, if a Reorganization Transaction, the steps for implementing the **Modified Second Amended** Plan. The U.S. federal income tax consequences to U.S. Holders of Allowed General Unsecured Claims may further depend on whether the applicable Allowed General Unsecured Claims surrendered constitute "securities" for U.S. federal income tax purposes.

~~Reorganization Transaction. If the applicable Allowed General Unsecured Claims are treated as securities for U.S. federal income tax purposes and the Restructuring Transactions are structured as a Reorganization Transaction that otherwise qualifies for "reorganization" treatment (within the meaning of section 368(a)(1) of the Tax Code) or a transaction described in Section 351 of the Tax Code (which may apply even if the applicable Allowed General Unsecured Claims are not treated as securities), a U.S. Holder's exchange of applicable Allowed General Unsecured Claims for New Common Equity should be treated as a fully tax-free transaction for a U.S. Holder of an applicable Allowed General Unsecured Claim. In addition to a requirement for "reorganization" treatment that the U.S. Holder's applicable Allowed General Unsecured Claim constitutes a security for U.S. federal income tax purposes, the determination of whether the transaction is a reorganization, and whether the exchange is tax-free, will depend on the identity of the issuer of the New Common Equity.~~

Reorganization Transaction. If either (i) the applicable Allowed General Unsecured Claims constitute "securities" for U.S. federal income tax purposes, the issuer of the New Common Equity is **the issuer of the applicable Allowed General Unsecured Claims** and the transaction is treated as a "reorganization" **(**within the meaning of section **368(a)(1) of the Tax Code)** with respect to a U.S. Holder of applicable Allowed General Unsecured Claims or (ii) the transaction is described in ~~Section~~**section** 351 of the Tax Code (which may apply even if the applicable Allowed General Unsecured Claims are not treated as securities) with respect to a U.S. Holder of applicable Allowed General Unsecured Claims, subject to the discussion under "*—Accrued Interest and OID*" below, a U.S. Holder of applicable Allowed General Unsecured Claims will not recognize any gain or loss. A U.S. Holder's tax basis in the New Common Equity received by such holder (apart from amounts allocable to accrued but unpaid interest or accrued OID) will equal the holder's tax basis in its applicable Allowed General Unsecured Claims exchanged therefor. Subject to the rules regarding accrued but unpaid interest and accrued OID, a U.S. Holder's holding period in the New Common Equity received should include the holding period for the applicable Allowed General Unsecured Claims exchanged therefor.

Taxable Transaction. If the Restructuring Transactions are not described in the preceding ~~paragraphs~~**paragraph** with respect to a U.S. Holder of Allowed General Unsecured Claims, such U.S. Holder of Allowed General Unsecured Claims is expected to recognize gain or loss equal to the difference between (i) the fair market value of its share of the New Common Equity (other than amounts, if any, allocable to accrued by unpaid interest (including OID)) and (ii) such U.S. Holder's adjusted tax basis in their Allowed General Unsecured Claims. The character of such gain or loss as capital or ordinary will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Allowed General Unsecured Claims constitute a capital asset in such U.S. Holder's hands, whether the Allowed General Unsecured Claims were purchased at a discount, and whether and to what extent the U.S. Holder previously claimed a bad debt deduction with respect to its Allowed General Unsecured Claims. If the recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder has held its Allowed General Unsecured Claims for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations (as discussed below). To the extent that a portion of the consideration received in exchange for its Allowed General Unsecured Claims is allocable to accrued but unpaid interest or OID, the U.S. Holder may recognize ordinary income. *See* "*—Accrued Interest and OID*" and "*—Market Discount*", below. In the case of a Taxable Transaction described in this paragraph, a U.S. Holder's tax basis in the New Common Equity received in

respect of its Allowed General Unsecured Claims should be equal to the fair market value of the New Common Equity and the U.S. Holder's holding period for New Common Equity received on the Effective Date should begin on the day following the Effective Date.

e. ~~c.~~ *Gain or Loss on Allowed Other Claims*

Pursuant to the **Modified Second Amended** Plan, a U.S. Holder will receive Cash in full and final satisfaction of the U.S. Holder's Allowed Claims in Class 7b. A U.S. Holder of such Claims should recognize gain or loss on such Claim in an amount equal to the difference between the amount of Cash received and the U.S. Holder's tax basis in such Claims. To the extent that a portion of the consideration received in exchange for such Claims is allocable to accrued but unpaid interest or OID, the U.S. Holder may recognize ordinary income. *See* "*—Accrued Interest and OID*" and "*—Market Discount*", below. If the recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder has held its Allowed Claims in the above-listed Classes for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations (as discussed below).

f. ~~d.~~ *Accrued Interest and OID*

In general, regardless of the manner in which the Restructuring Transactions are consummated, to the extent that any amount received by a U.S. Holder of an Allowed Claim is attributable to accrued but unpaid interest or OID on the debt instruments constituting the Allowed Claim, as applicable, the receipt of such amount should be taxable to the U.S. Holder as ordinary interest income (if not previously included in such Holder's gross income). Conversely, a U.S. Holder of an Allowed Claim may be able to recognize a deductible loss (or, possibly, a write off against a reserve for worthless debts) to the extent that any accrued interest or OID previously was included in the U.S. Holder's gross income but was not paid in full. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair value of the consideration is not sufficient to fully satisfy all principal of and interest on an Allowed Claim, the extent to which such consideration will be attributable to accrued interest or OID is unclear. Under the **Modified Second Amended** Plan, the aggregate consideration received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Treasury Regulations treat payments made under a debt instrument as allocated first to any accrued but unpaid interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the **Modified Second Amended** Plan. U.S. Holders of Allowed Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the **Modified Second Amended** Plan.

g. ~~e.~~ *Market Discount*

Under the "*market discount*" provisions of the Tax Code, some or all of any gain realized by a U.S. Holder of an Allowed Claim who receives consideration pursuant to the **Modified**

Second Amended Plan in satisfaction of its Allowed Claim may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on the debt instruments constituting the Allowed Claim, as applicable. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than at original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with OID, its adjusted issue price, in each case, by at least a *de minimis* amount (equal to 0.25% of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of an Allowed Claim acquired with market discount should generally be treated as ordinary income to the extent of the market discount that accrued thereon while the Allowed Claim, as applicable, was considered to be held by the U.S. Holder (unless the U.S. Holder elected to include market discount in income as it accrued). To the extent that Allowed Claims that were acquired with market discount are exchanged in a Reorganization that qualifies for partially tax-free or fully tax-free treatment for the exchanging U.S. Holder, any market discount that accrued on the Allowed Claims up to the time of the exchange, but was not recognized by the U.S. Holder is carried over to the New Common Equity or New Takeback Notes received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of the New Common Equity or New Takeback Notes is treated as ordinary income to the extent of the accrued, but not recognized, market discount with respect to the Allowed Claims.

U.S. Holders are urged to consult their own tax advisors regarding the tax consequences of the exchange of Allowed Claims that were acquired with market discount pursuant to the Modified Second Amended Plan.

4. ~~3.~~ Consequences to U.S. Holders of Claims of Owning and Disposing of ~~Consideration Received Under the Plan~~New Common Equity, New Takeback Notes and 2024 Notes Distribution Rights

~~a. Ownership and Disposition of New Common Equity~~

Conversion of New Common Equity and Adjustment of New Takeback Notes. The New Common Equity and/or New Takeback Notes may be issued in multiple tranches to effectuate the Appellate Adjustment Mechanism. In that case, it is expected that the terms of those tranches will provide for an automatic conversion of such instruments, or other adjustment to such instruments, to reflect the resolution of the Appellate Litigation. While the U.S. federal income tax treatment of the conversions or adjustments describe above is unclear. The company currently intends to treat such conversions or adjustments as transactions that do not result in the recognition of gain or loss for U.S. federal income tax purposes. **Assuming each such conversion or adjustment is treated as such a transaction, a U.S. Holder would generally not be expected to recognize gain or loss as a result of the conversion or adjustment and a U.S. Holder's tax basis in the converted equity or adjusted debt (which, as described above, is intended to be treated as equity for U.S. federal income tax purposes), as applicable, will equal such U.S. Holder's tax basis in its "pre-conversion" equity or "unadjusted" debt, as applicable, respectively. A U.S. Holder's holding period in**

the converted equity or adjusted debt, as applicable, will include the holding period for the "pre-conversion" equity or "unadjusted" debt, as applicable. There can be no assurance that the IRS would not contend, and that a court would not ultimately hold, that all or any of the conversions or adjustments should be treated as taxable transactions. Each U.S. Holder should consult with their own tax advisor regarding the tax consequences to such U.S. Holder in connection with the conversions or adjustments.

Distribution on or Termination of the 2024 Notes Distribution Rights. Upon the resolution of the Appellate Litigation, a holder of 2024 Notes Distribution Rights will either receive New Takeback Notes (a "Distribution") or the 2024 Notes Distribution Rights will terminate without the holder receiving any consideration (a "Termination"). The U.S. federal income tax treatment of a Distribution or Termination is unclear. It is possible that a Distribution may be treated as part of a taxable exchange of the 2024 Notes Distribution Rights. Alternatively, a Distribution may be treated as a nontaxable conversion of the 2024 Notes Distribution Rights into New Takeback Notes pursuant to the terms of the 2024 Notes Distribution Rights. It is possible that a Termination may permit a U.S. Holder of 2024 Note Distribution Rights to recognize a loss equal to such U.S. Holder's tax basis in the 2024 Note Distribution Rights. Each U.S. Holder should consult with their own tax advisor regarding the tax consequences to such U.S. Holder in connection with a Distribution or Termination.

Distributions on New Common Equity **and New Takeback Notes**. Any distributions **(or deemed distributions)** made on account of **equity in Reorganized Incora (which includes** the New Common Equity **and New Takeback Notes)** will generally constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Reorganized Incora, as determined under U.S. federal income tax principles. ~~Dividends~~ **As discussed above, under *"Treatment of New Takeback Notes as Equity,"* Reorganized Incora intends to treat the New Takeback Notes as equity of Reorganized Incora for U.S. federal income tax purposes that is not "preferred stock" for purposes of section 305 of the Tax Code. Nevertheless, there is a risk that, pursuant to section 305 of the Tax Code, if Reorganized Incora makes an actual distribution on account of the New Common Equity, the accretion** on the New Takeback Notes **would be treated as a deemed distribution on the New Takeback Notes. Dividends (or deemed dividends)** received by a non-corporate U.S. Holder may be eligible for the lower rate applicable to long-term capital gain if certain holding period requirements are satisfied. To the extent that a U.S. Holder receives **(or is deemed to receive)** distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions **(or deemed distributions)** will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares. Any such distributions **(or deemed distributions)** in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain, which will be treated as long-term capital gain if such U.S. Holder's holding period in its ~~New Common Equity~~**equity interests** exceeds one year as of the date of the distribution~~.~~ **(or deemed distribution). In the case of taxable distributions (or deemed distributions) of property, including equity interests, the U.S. Holder will generally be expected to take fair market value basis in the property received (or deemed received).**

Amounts treated as dividends **(or deemed dividends)** paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction. However, the

dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends-received deduction may be disallowed.

Sale, Redemption or Repurchase of New Common Equity **and New Takeback Notes**. Subject to the discussion below regarding redemption of **equity in Reorganized Incora (which includes** the New Common Equity **and New Takeback Notes)**, unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale or other taxable disposition of the New Common Equity **or New Takeback Notes**. Such capital gain will be long-term capital gain if, at the time of the sale or other taxable disposition, the U.S. Holder's holding period in the New Common Equity **or New Takeback Notes** is more than one year. Long-term capital gains of a non-corporate taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below. In certain circumstances, a U.S. Holder may be required to treat gain recognized on the taxable disposition of the New Common Equity **or New Takeback Notes** as ordinary income if such U.S. Holder took a bad debt deduction with respect to its Allowed Claims or recognized an ordinary loss on the exchange of its Allowed Claims pursuant to the **Modified Second Amended** Plan.

A full or partial redemption of **equity in Reorganized Incora (which includes** the New Common Equity **and New Takeback Notes)** will be treated as a distribution taxable as a dividend to holders of ~~the New Common Equity~~**such equity interests** to the extent of Reorganized Incora's current or accumulated earnings and profits, unless it can be satisfactorily established that, for U.S. federal income tax purposes, (i) the redemption is "not essentially equivalent to a dividend," (ii) the redemption results in a "complete termination" of the holder's interest in ~~stock~~**the equity interests** of Reorganized Incora **(which includes the New Common Equity and New Takeback Notes)** or (iii) the redemption is "substantially disproportionate" with respect to the holder, all within the meaning of section 302(b) of the Tax Code. In any such case where one of these requirements is met, the redemption will be subject to U.S. federal income tax in the manner described above with respect to sales and other taxable dispositions generally. A redemption of the New Common Equity **or New Takeback Notes** that is treated as a distribution taxable as a dividend will be subject to U.S. federal income tax in the manner described above under "*—Distributions on New Common Equity **and New Takeback Notes***".

As discussed above under "*—Market Discount*", in the case of any debt instrument underlying an Allowed Claim that was acquired at a "market discount" and is subject to partially tax-free or fully tax-free treatment with respect to the exchange pursuant to the **Modified Second Amended** Plan as more fully discussed above, the Tax Code indicates that any accrued market discount in respect of such portion of the Allowed Claim, as applicable, that is not currently includible in income should carry over to any nonrecognition property received in exchange therefor (i.e., the New Common Equity **and New Takeback Notes**). Accordingly, in that situation, any gain recognized by a holder upon a subsequent disposition of New Common Equity **or New Takeback Notes** may be treated as ordinary income to the extent of the allocable portion of any accrued market discount not previously included in income. To date, specific Treasury ~~regulations~~**Regulations** implementing this rule have not been issued.

b. *Ownership and Disposition of New Takeback Notes*

Interest (including OID) on New Takeback Notes. Qualified stated interest (described below) paid to a U.S. Holder will be includible in the U.S. Holder's gross income as ordinary interest income at the time interest is received or accrued in accordance with the U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes.

If the "stated redemption price at maturity" of the New Takeback Notes exceeds the "issue price" of the New Takeback Notes by an amount equal to or greater than a statutorily defined *de minimis* amount, the New Takeback Notes will be treated as issued with OID for U.S. federal income tax purposes. The stated redemption price at maturity of the New Takeback Notes is the total of all payments due on the New Takeback Notes, other than payments of qualified stated interest. In general, qualified stated interest is stated interest that is payable unconditionally in cash or in property (other than debt instruments of the issuer) at least annually at a single fixed rate (or at certain qualified floating rates). The terms of the New Takeback Notes have not yet been established. As a result, it is unclear whether any portion of the stated interest on the New Takeback Notes will be treated as qualified stated interest.

Reorganized Incora will determine the issue price of the New Takeback Notes after the Effective Date. If Reorganized Incora determines that the issue price of the New Takeback Notes is an amount different from the face amount of those loans, Reorganized Incora will make that determination available to any U.S. Holders receiving a portion of the New Takeback Notes. U.S. Holders should consult their tax advisors concerning the treatment of owning New Takeback Notes.

If the New Takeback Notes are issued with OID, a U.S. Holder generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield basis and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on the New Takeback Notes that is attributable to previously accrued OID that has been included in its income. If the amount of OID on the First Lien Facility is *de minimis*, rather than being characterized as interest, any payment attributable to the *de minimis* OID will be treated as gain from the sale of the New Takeback Notes, and a pro rata amount of such *de minimis* OID must be included in income as principal payments are received on the New Takeback Notes.

If the U.S. Holder's Allowed Claims are exchanged for New Takeback Notes in a Reorganization that is a fully or partially tax-free transaction, and as a result the U.S. Holder's tax basis in the New Takeback Notes exceeds the issue price thereof, the amount of qualified stated interest and/or OID required to be recognized by the U.S. Holder may be reduced under the rules applicable to "acquisition premium" or "amortizable bond premium." U.S. Holders should consult their tax advisors about the application of these rules to their ownership of New Takeback Notes.

Sale, Redemption or Repurchase of New Takeback Notes. Upon the sale, exchange or other taxable disposition of New Takeback Notes, a U.S. Holder will generally recognize taxable gain or loss equal to the difference, if any, between the amount realized on the sale, exchange or other taxable disposition (other than accrued but unpaid interest, which shall be taxable as interest) and the U.S. Holder's adjusted tax basis in their interest in the New Takeback Notes. A U.S. Holder's initial tax basis in the New Takeback Notes will be increased by any previously accrued OID and decreased by any payments on the New Takeback Notes (other than payments of qualified stated interest, if any) and any bond premium previously amortized. Any such gain or loss generally will be long-term capital gain or loss if at the time of the sale, redemption or other taxable disposition, the U.S. Holder has held (or is treated as having held) the New Takeback Notes for more than one year. Certain non-corporate U.S. Holders (including individuals) may be eligible for preferential tax rates on long-term capital gains. The deductibility of capital losses is subject to significant limitations (as discussed below).

As discussed above under "*Market Discount*", in the case of any debt instrument underlying an Allowed Addressed Claim that was acquired at a "market discount" and is subject to partially tax-free or fully tax-free treatment with respect to the exchange pursuant to the Plan, the Tax Code indicates that any accrued market discount in respect of such portion of the Allowed Addressed Claim that is not currently includible in income should carry over to any nonrecognition property received in exchange therefor (i.e., the New Common Equity and/or New Takeback

~~Notes). Accordingly, any gain recognized by a holder upon a subsequent disposition of such property would be treated as ordinary income to the extent of the allocable portion of any accrued market discount not previously included in income. To date, specific Treasury regulations implementing this rule have not been issued.~~

5. ~~4.~~ Limitation on Use of Capital Losses

U.S. Holders who recognize capital losses will be subject to limits on their use of capital losses. For U.S. Holders other than corporations, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (i) $3,000 (or $1,500 for married individuals filing separate returns), or (ii) the excess of the capital losses over the capital gains. Non-corporate U.S. Holders may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income. For corporate U.S. Holders, capital losses may only be used to offset capital gains. U.S. Holders who have more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. For corporate U.S. Holders, unused capital losses may be carried forward for the five years following the capital loss year or carried back to the three years preceding the capital loss year. Non-corporate U.S. Holders may carry over unused capital losses for an unlimited number of years.

E. Certain U.S. Federal Income Tax Consequences to Non-U.S. Holders

1. Gain Recognition

Whether the satisfaction of an Allowed Claim is a taxable event or not will be determined as noted above under the discussion relevant to U.S. Holders. To the extent that the Restructuring Transactions are treated as a taxable exchange for a Non-U.S. Holder, or otherwise result in recognition of gain for U.S. federal income tax purposes for such Non-U.S. Holder, any gain recognized by such Non-U.S. Holder on the exchange of its Allowed Claims generally will not be subject to U.S. federal income taxation unless (a) such Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Effective Date occurs and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, to the extent that any gain is taxable, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain recognized on the exchange in the same manner as a U.S. Holder. In addition, if such Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued Interest and OID

Subject to the ~~discussion~~**discussions** below under "*—FATCA*" and "*—Information Reporting and Backup Withholding*", payments to a Non-U.S. Holder that are attributable to accrued but unpaid interest (including accrued OID) on the debt instruments constituting the surrendered Allowed Claims generally will not be subject to U.S. federal income tax or withholding, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, an IRS Form W-8BEN or W-8BEN-E (or applicable successor form)) establishing that the Non-U.S. Holder is not a U.S. person, unless:

- the Non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes of Wesco Holdings Inc. stock entitled to vote;
- the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to Wesco Holdings Inc. (each, within the meaning of the Tax Code);
- the Non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the Tax Code; or
- such interest (or OID) is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

In the case of a Non-U.S. Holder that does not qualify for the exemption from withholding tax with respect to accrued but unpaid interest (including accrued OID) on the Allowed Claims described above, any payments attributable to accrued but unpaid interest (including OID) that is not effectively connected income (as described in the fourth bullet above) generally will be subject to withholding of U.S. federal income tax at a 30% rate (or at a reduced rate or exemption from tax under an applicable income tax treaty). For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business. As described above in more detail, the **Modified Second Amended** Plan provides that the aggregate consideration to be distributed to holders of Allowed Addressed Claims in each Class will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid interest that accrued on these Allowed Claims, if any. The IRS could take the position that the consideration received by a Non-U.S. Holder should be allocated in some way other than as provided in the **Modified Second Amended** Plan. Non-U.S. Holders of Allowed Addressed Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the **Modified Second Amended** Plan.

3. Consequences to Non-U.S. Holders of Claims of Owning and Disposing ~~Consideration Received Under the Plan~~of New Common Equity and New Takeback Notes

~~a. *Ownership and Disposition of New Common Equity*~~

Conversion of New Common Equity and Adjustment of New Takeback Notes. The U.S federal income tax consequences of the conversions or adjustments of the New Common Equity or New Takeback Notes to a Non-U.S. Holder are generally expected to be the same as the U.S federal income tax consequences of the conversions or adjustments to a U.S. Holder as described above under *"Consequences to U.S. Holders of Claims of Owning and Disposing of New Common Equity, New Takeback Notes and 2024 Notes Distribution Rights – Conversion of New Common Equity and Adjustment of New Takeback Notes."*

Distribution on or Termination of the 2024 Notes Distribution Rights. The U.S federal income tax consequences of a Distribution or Termination with respect to the 2024 Note Distribution Rights to a Non-U.S. Holder **are generally expected to be the same as the U.S federal income tax consequences of the conversions or adjustments to a U.S. Holder as described above under *"Consequences to U.S. Holders of Claims of Owning and Disposing of New Common Equity, New Takeback Notes and 2024 Notes Distribution Rights – Distribution on or Termination of the 2024 Notes Distribution Rights."***

Distributions on New Common Equity **and New Takeback Notes**. Any distributions **(or deemed distributions, including** as a result of the **application of section 305 of the Tax Code to the New Takeback Notes, *see – "Consequences to U.S. Holders of Claims of Owning and Disposing of New Common Equity and New Takeback Notes – Distributions on New Common Equity and New Takeback Notes"*)** made on account of the New Common Equity **or New Takeback Notes** will generally constitute dividends **(or deemed dividends)** for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Reorganized Incora, as determined under U.S. federal income tax principles. To the extent that a Non-U.S. Holder receives **(or is deemed to receive)** distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions **(or deemed distributions)** will be treated first as a non-taxable return of capital reducing the Non-U.S. Holder's basis in its shares. Any such distributions **(or deemed distributions)** in excess of the Non-U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain from a sale or exchange (and the respective excess distributions as proceeds from a sale or exchange as described below; see "—*Sale, Redemption or Repurchase of New Common Equity **and New Takeback Notes***" below).

Subject to the ~~discussion~~**discussions** below under "—*FATCA*" and "—*Information Reporting and Backup Withholding*" and except as described below, dividends **(or deemed dividends)** paid with respect to the New Common Equity **or New Takeback Notes** held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (or if an income tax treaty applies, are not attributable to a permanent establishment maintained by such non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30% (or lower treaty rate or exemption from tax, if applicable). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to

claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN or W-8BEN-E (or a successor form) upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a Non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments.

Dividends **(or deemed dividends)** paid with respect to New Common Equity **or New Takeback Notes** held by a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty).

Sale, Redemption or Repurchase of New Common Equity **and New Takeback Notes**. Subject to the discussion below regarding redemptions of the New Common Equity and **New Takeback Notes and** under "*—Information Reporting and Backup Withholding*", a Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain recognized on the sale or other taxable disposition of New Common Equity **and New Takeback Notes** unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met or who is subject to special rules applicable to former citizens and residents of the United States;
- such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and if an applicable income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or
- Reorganized Incora is or has been during a specified testing period a "U.S. real property holding corporation" (a "*USRPHC*") for U.S. federal income tax purposes.

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of the New Common Equity **or New Takeback Notes**. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty).

If the third exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax on any gain recognized on the disposition of all or a portion of its New Common Equity **and New Takeback Notes** under the Foreign Investment in Real Property Tax Act ("*FIRPTA*").

Taxable gain from the disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and such Non-U.S. Holder's adjusted tax basis in such interest) will constitute effectively connected income. Further, the buyer of the New Common Equity **or New Takeback Notes** will generally be required to withhold a tax equal to 15% of the amount realized on the sale. The amount of any such withholding would be allowed as a credit against the Non-U.S. Holder's federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the Non-U.S. Holder properly and timely files a tax return with the IRS.

In general, a corporation is a USRPHC as to a Non-U.S. Holder if the fair market value of the corporation's U.S. real property interests (as defined in the Tax Code and applicable Treasury Regulations) equals or exceeds 50% of the aggregate fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any time within the shorter of the 5-year period ending on the effective time of the applicable disposition or the period of time the Non-U.S. Holder held such interest. While a determination of whether Reorganized Incora will be a USRPHC at a particular time will depend on the relative values of Reorganized Incora's assets at that time, based on Incora's current assets and Reorganized Incora's business plan, it does not believe that it is currently treated or expect to be treated as a USRPHC.

As discussed above under "—*Consequences to U.S. Holders of Addressed Claims*," a full or partial redemption of the **equity in Reorganized Incora (which includes the** New Common Equity **and New Takeback Notes)** will generally be treated as a distribution taxable as a dividend to the extent of Reorganized Incora's current or accumulated earnings and profits unless it can be satisfactorily established that, for U.S. federal income tax purposes, (i) the redemption is "not essentially equivalent to a dividend," (ii) the redemption results in a "complete termination" of the holder's interest in the ~~stock (both preferred and common)~~**equity interests** of Reorganized Incora **(which includes the New Common Equity and New Takeback Notes)** or (iii) the redemption is "substantially disproportionate" with respect to the holder, all within the meaning of section 302(b) of the Tax Code. In such event, any amount constituting a dividend for U.S. federal income tax purposes generally would be subject to U.S. federal withholding tax at a rate of 30%, or such lower rate as may be specified by an applicable income tax treaty, unless such dividend is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States). A withholding agent (which may include Reorganized Incora) might not make a determination as to whether the cash received upon redemption is subject to such withholding, including because the application of ~~Section~~**section** 302 of the Tax Code will depend on a Non-U.S. Holder's particular circumstances. Accordingly, withholding agents may withhold tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on the entire amount of the redemption amount made to such Non-U.S. Holder, unless (1) the withholding agent has established special procedures allowing Non-U.S. Holders to certify that they are exempt from such withholding tax and (2) such Non-U.S. Holders are able to certify that they meet the requirements of such exemption (e.g., because such Non-U.S. Holders are not treated as receiving a dividend under the ~~Section~~**section** 302 tests described above). However, there can be no assurance that a withholding agent will establish such special certification procedures. If a withholding agent withholds excess amounts from the cash consideration so payable to a Non-U.S. Holder, such Non-U.S. Holder may obtain a refund of any such excess amounts by timely filing an appropriate claim with the IRS. Non-U.S. Holders should

consult their own tax advisors regarding the application of the foregoing rules in light of their particular facts and circumstances, the procedures for claiming treaty benefits or otherwise establishing an exemption from U.S. withholding tax with respect to payments received in redemption of their **equity in Reorganized Incora (which includes the** New Common Equity~~.~~

~~**b. *Ownership*** and ***Disposition of*** New Takeback Notes~~)~~**.**

~~Interest (including OID). Subject to the discussion below under "*FATCA*" and "*Information Reporting and Backup Withholding*", interest and OID on the New Takeback Notes paid to a Non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, a properly executed IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless:~~

- ~~the Non-U.S. Holder actually or constructively owns 10% or more of the voting stock of the person that is treated as issuing the New Takeback Notes for U.S. federal income tax purposes;~~
- ~~the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" (each, within the meaning of the Tax Code) with respect to the person that is treated as issuing the New Takeback Notes for U.S. federal income tax purposes;~~
- ~~the Non-U.S. Holder is a bank receiving interest described in Section 881(c)(3)(A) of the Tax Code; or~~
- ~~such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).~~

~~Sale, Exchange and Retirement of New Takeback Notes. A Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of its New Takeback Notes (other than any amount representing accrued but untaxed interest on the New Takeback Notes) unless:~~

- ~~the gain is effectively connected with the conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains in the United States); or~~
- ~~in the case of a Non-U.S. Holder who is a nonresident alien individual, such Holder is present in the United States for 183 or more days in the taxable year of disposition and certain other requirements are met.~~

~~If a Non-U.S. Holder falls under the first of these exceptions, unless an applicable income tax treaty provides otherwise, the Non-U.S. Holder will generally be taxed on the net gain derived from the disposition of its interest in the New Takeback Notes under the graduated U.S. federal income tax rates that are applicable to U.S. Holders and, if the Non-U.S. Holder is a foreign corporation, it may also be subject to the branch profits tax described above in "*Interest (including OID)*". If an individual Non-U.S. Holder falls under the second of these exceptions, the holder generally will be subject to U.S. federal income tax at a rate of 30% (unless a lower applicable treaty rate applies) on the amount by which the gain derived from the disposition exceeds such Non-U.S. Holder's capital losses allocable to sources within the United States for the taxable year of disposition.~~

4. FATCA

Under the Foreign Account Tax Compliance Act ("*FATCA*"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of "withholdable payments". For this purpose, "withholdable payments" are generally U.S. source payments of fixed or determinable, annual or periodical income, including any dividends (including any deemed dividends) on the New Common Equity and New Takeback Notes. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

FATCA withholding rules that were previously scheduled to take effect on January 1, 2019 would have applied to payments of gross proceeds from the sale or other disposition of property of a type that can produce U.S. source interest or dividends. However, such withholding has effectively been suspended under proposed Treasury Regulations that may be relied on until final regulations become effective. Nonetheless, there can be no assurance that a similar rule will not go into effect in the future.

Each Non-U.S. Holder should consult its own tax advisor regarding the possible impact of the FATCA withholding rules on such Non-U.S. Holder's ownership of the New Common Equity and ~~First Lien Facility~~**New Takeback Notes**.

F. Information Reporting and Back-Up Withholding

The Debtors and Reorganized Debtors will withhold all amounts required by law to be withheld and will comply with all applicable reporting requirements of the Tax Code. In general, information reporting requirements may apply to distributions or payments made to a holder of a Claim under the **Modified Second Amended** Plan or with respect to their New Common Equity or New Takeback Notes. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then applicable withholding rate (currently 24%). Backup withholding generally applies unless, in the case of a U.S. Holder, such U.S. Holder provides a properly executed IRS Form W-9 (or otherwise establishes such U.S. Holder's eligibility for an exemption) or, in the case of Non-U.S. Holder, such Non-U.S. Holder provides a properly executed applicable IRS Form W-8 (along with appropriate attachments) (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption from withholding). Backup withholding is not an additional tax but is, instead, an

advance payment that may entitle the holder to a refund from the IRS to the extent it results in an overpayment of tax, provided that the required information is timely provided to the IRS.

In addition, from an information reporting perspective, the Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the **Modified Second Amended** Plan would be subject to these regulations and require disclosure on the holders' tax returns.

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SECTION VIII.
SECURITIES LAW CONSIDERATIONS

A. IMPORTANCE OF OBTAINING INDEPENDENT PROFESSIONAL ADVICE

The Debtors do not make any representation concerning the ability of any Entity to dispose of the securities to be issued under or otherwise acquired pursuant to the Modified Second Amended Plan. The question of whether a particular Entity is an underwriter or an affiliate is complex, and the availability of exemptions from registration under the Securities Act (including those under section 1145 of the Bankruptcy Code and Rule 144 under the Securities Act) is highly fact-specific. Potential recipients of securities to be issued under or otherwise acquired pursuant to the Modified Second Amended Plan should consult their own counsel concerning their ability to trade or re-sell such securities freely.

B. ISSUANCE AND RESALE OF SECURITIES UNDER THE MODIFIED SECOND AMENDED PLAN

1. Exemptions from Registration Requirements of the Securities Act and Applicable State Securities Law

No registration statement will be filed under the Securities Act or pursuant to any state securities laws with respect to the offer and distribution of securities under the **Modified Second Amended** Plan.

2. Section 1145 Securities

The **Modified Second Amended** Plan provides for the offer, issuance, sale or distribution of shares of New Common Equity ~~as well as the New Notes~~ (the "*Section 1145 Securities*") as well as the New Notes. The offer, issuance, sale or distribution of the Section 1145 Securities is expected to be exempt from registration under section 5 of the Securities Act and under any state or local law requiring registration for offer or sale of a security pursuant to section 1145 of the Bankruptcy Code. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under section 5 of the Securities Act and state or local securities laws if three principal requirements are satisfied: (i) the securities must be offered and sold under a plan of reorganization and must be securities issued by the debtor, an affiliate participating in a joint plan with the debtor, or a successor to the debtor under the plan; (ii) the recipients of the securities must hold prepetition or administrative expense claims against the debtor or interests in the debtor; and (iii) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor, or "principally" in exchange for such claim or interest and "partly" for cash or property.

Subject to the limitations in the applicable governance documents, the Section 1145 Securities may be freely transferred by recipients following the initial issuance under the **Modified Second Amended** Plan, and all resales and subsequent transfers of the Section 1145 Securities are exempt from registration under the Securities Act and state securities laws, unless the holder is an "underwriter" with respect to such securities. Section 1145(b) of the Bankruptcy Code defines four types of "underwriters:"

(i) a person who purchases a claim against, an interest in, or a claim for an administrative expense against the debtor with a view to distributing any security received in exchange for such claim or interest;

(ii) a person who offers to sell securities offered or sold under a plan for the holders of such securities;

(iii) a person who offers to buy securities offered or sold under a plan from the holders of such securities, if the offer to buy is:

(A) with a view to distributing such securities; and

(B) under an agreement made in connection with the plan, the consummation of the plan, or with the offer or sale of securities under the plan; and

(iv) a person who is an "issuer" (as defined in section 2(a)(11) of the Securities Act) with respect to the securities.

Under section 2(a)(11) of the Securities Act, an "issuer" includes any person directly or indirectly controlling or controlled by the issuer, or any person under direct or indirect common control of the issuer. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. The legislative history of Section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of voting securities of a reorganized debtor may be presumed to be a "controlling person" and, therefore, an underwriter.

To the extent that persons who receive Section 1145 Securities pursuant to the **Modified Second Amended** Plan are deemed to be underwriters, resales by such persons would not be exempted from registration under the Securities Act or other applicable law by section 1145 of the Bankruptcy Code. Persons deemed to be underwriters may, however, be permitted to resell such Section 1145 Securities without registration pursuant to and in accordance with the provisions of Rule 144 under the Securities Act or another available exemption under the Securities Act. In addition, such persons will also be entitled to resell their Section 1145 Securities in transactions registered under the Securities Act following the effectiveness of a registration statement, if one is filed with the SEC and becomes effective.

As noted above, holders of Section 1145 Securities who are deemed underwriters may resell Section 1145 Securities pursuant to the limited safe harbor resale provision under Rule 144 of the Securities Act, which are more fully described below in the Section entitled "Private Placement Securities," or another available exemption under the Securities Act.

Whether or not any particular person would be deemed to be an underwriter with respect to the Section 1145 Securities or other security to be issued pursuant to the **Modified Second Amended** Plan would depend upon various facts and circumstances applicable to that person. Accordingly, the Debtors express no view as to whether any particular person receiving Section 1145 Securities or other securities under the **Modified Second Amended** Plan would be an underwriter with respect to such Section 1145 Securities or other securities, whether such person may freely resell such securities, or the circumstances under which they may resell such securities.

3. Private Placement Securities

Section 4(a)(2) of the Securities Act provides that the issuance of securities by an issuer in transactions not involving a public offering are exempt from registration under the Securities Act. Regulation D is a non-exclusive safe harbor from registration promulgated by the SEC under the Securities Act.

The Debtors believe that the shares of New Common Equity and/or the New Notes to be issued in accordance with the **Modified Second Amended** Plan to underwriters (as defined for purposes of section 1145(b)) (collectively, the "*4(a)(2) Securities*"), are issuable without registration under the Securities Act in reliance upon the exemption from registration provided under section 4(a)(2) of the Securities Act, including potentially pursuant to the safe harbor provided by Regulation D promulgated under the Securities Act, and/or other applicable exemptions. Each of the holders of the Debtors' outstanding notes is required to represent that it is an "accredited investor" within the meaning of Rule 501(a) of Regulation D of the Securities Act, or a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act).

The 4(a)(2) Securities will be subject to resale restrictions and may be resold, exchanged, assigned, or otherwise transferred only pursuant to registration, or an applicable exemption from registration, under the Securities Act and other applicable law, as described below.

In addition to the limitations in the applicable governance documents, the 4(a)(2) Securities will be deemed "restricted securities" (as defined by Rule 144 of the Securities Act); will bear customary legends and transfer restrictions; and may not be offered, sold, exchanged, assigned, or otherwise transferred unless they are registered under the Securities Act, or an exemption from registration under the Securities Act is available and in each case subject to the limitations in the applicable governance documents.

Rule 144 provides a limited safe harbor for the resale of restricted securities if certain conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an "affiliate" of the issuer. Rule 144 defines an affiliate as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer."

A non-affiliate of an issuer that is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and who has not been an affiliate of the issuer during the 90 days preceding such sale may resell restricted securities after a one-year holding period whether or not there is current public information regarding the issuer. It is currently anticipated that none of the Debtors will be subject to the reporting requirements of the Exchange Act after the Effective Date.

An affiliate of an issuer that is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act may resell restricted securities after the one-year holding period if at the time of the sale certain current public information regarding the issuer is available. An affiliate must also comply with the volume, manner of sale, and notice requirements of Rule 144. First, the rule limits the number of restricted securities (plus any unrestricted securities) sold for the account of an affiliate (and related persons) in any three-month period to the greater of 1% of the outstanding securities of the same class being sold, or, if the class is listed on a stock exchange, the average weekly reported volume of trading in such securities during the four weeks preceding the filing of a notice of proposed sale on Form 144, or if no notice is required, the date of receipt of the order to execute the transaction by the broker or the date of execution of the transaction directly with a market maker. Second, the manner of sale requirement provides that the restricted securities must be sold in a broker's transaction, directly with a market maker or in a riskless principal transaction (as defined in Rule 144). Third, if the amount of securities sold under Rule 144 in any three-month period exceeds 5,000 shares or has an aggregate sale price greater than $50,000, an affiliate must file or cause to be filed with the SEC three copies of a notice of proposed sale on Form 144, and provide a copy to any exchange on which the securities are traded.

The Debtors believe that the Rule 144 exemption will not be available with respect to any 4(a)(2) Securities (whether held by non-affiliates or affiliates) until at least one year after the effective date of the **Modified Second Amended** Plan. Accordingly, unless transferred pursuant to an effective registration statement or another available exemption from the registration requirements of the Securities Act, holders of 4(a)(2) Securities will be required to hold their 4(a)(2) Securities for at least one year and, thereafter, to sell them only in accordance with the applicable requirements of Rule 144, pursuant to an effective registration statement or pursuant to another available exemption from the registration requirements of applicable securities laws.

Each certificate representing, or issued in exchange for or upon the transfer, sale, or assignment of, any 4(a)(2) Security shall, upon issuance, be stamped or otherwise imprinted with a restrictive legend substantially consistent with the following form:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON [ISSUANCE DATE], AND SUCH SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION THEREUNDER.

The reorganized Debtors reserve the right to reasonably require certification, legal opinions, or other evidence of compliance with Rule 144 as a condition to the removal of such legend or to any resale of the 4(a)(2) Securities. The Reorganized Debtors also reserves the right to stop the transfer of any 4(a)(2) Securities if such transfer is not in compliance with Rule 144, pursuant to an effective registration statement or pursuant to another available exemption from the registration requirements of applicable securities laws. All persons who receive 4(a)(2) Securities will be required to acknowledge and agree that (a) they will not offer, sell, or otherwise transfer any 4(a)(2)

Securities except in accordance with an exemption from registration, including under Rule 144 of the Securities Act, if and when available, or pursuant to an effective registration statement, and (b) the 4(a)(2) Securities will be subject to the other restrictions described above.

Any persons receiving restricted securities under the **Modified Second Amended** Plan should consult with their own counsel concerning the availability of an exemption from registration for resale of these securities under the Securities Act and other applicable law.

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SECTION IX.
RISK FACTORS

Before voting to accept or reject the Modified Second Amended Plan, holders of Claims who are entitled to vote should read and carefully consider the Modified Second Amended Plan and this Disclosure Statement, including the risk factors set forth in this Section IX. The risks described in this Section IX are not the only ones associated with the Modified Second Amended Plan or its implementation, as new risks may emerge from time to time, and it is impossible to predict all such risks.

All holders of Claims should consult their own professional advisors regarding risks associated with the Modified Second Amended Plan, including those set forth in this Section IX.

A. BANKRUPTCY PROCESS RISKS

1. The Debtors Cannot Predict How Long Their Chapter 11 Cases Will Last.

Long chapter 11 cases could disrupt the Debtors' businesses, impair prospects for reorganization on terms contained in the Modified Second Amended Plan, and possibly lead to an opportunity for other plans to be proposed that may negatively impact the business and cause increased administrative costs.

The Debtors cannot be certain that the Chapter 11 Cases will not be materially disruptive to the Debtors' businesses. If the Debtors are unable to obtain confirmation of the Modified Second Amended Plan for any reason, the Debtors may be forced to operate in chapter 11 for an extended period while trying to develop a different chapter 11 plan that can be confirmed. The Debtors cannot assure parties in interest that the Modified Second Amended Plan will be confirmed; even after confirmation of the Modified Second Amended Plan, it is impossible to predict with certainty how long will be needed to implement the complex transactions that the Modified Second Amended Plan anticipates. Moreover, the Bankruptcy Code limits the time during which the Debtors will have the exclusive right to file a plan, before other parties in interest are permitted to propose and file alternative plans.

A long chapter 11 case may also involve additional expenses and divert the attention of management from operation of the business, as well as create concerns for personnel, vendors, suppliers, service providers, and customers. Even if the Modified Second Amended Plan is confirmed, the bankruptcy proceedings may adversely affect the Debtors' relationships with key vendors, customers, and employees.

2. Parties in Interest May Object to the Modified Second Amended Plan.

Parties having proper standing may oppose and object to either the entirety of the Modified Second Amended Plan or specific provisions of the Modified Second Amended Plan, including

on grounds related to arguments that have been presented in the Financing Litigation. Although the Debtors believe that the **Modified Second Amended** Plan complies with all relevant Bankruptcy Code provisions, there can be no guarantee that a party in interest will not file an objection to the **Modified Second Amended** Plan presenting contrary views or that the Bankruptcy Court will not sustain such an objection.

3. The Bankruptcy Court May Not Confirm the Modified Second Amended Plan.

Although the Debtors believe that the **Modified Second Amended** Plan will satisfy all requirements for confirmation (including "cram-down" requirements as to Classes, if any, that vote against or are deemed to reject the **Modified Second Amended** Plan), there can be no assurance that the Bankruptcy Court will reach the same conclusion. Modifications to the **Modified Second Amended** Plan may be required to address objections or issues raised by the Bankruptcy Court to permit confirmation, and those modifications could be sufficiently material to require re-solicitation of votes on the **Modified Second Amended** Plan.

If the **Modified Second Amended** Plan is not confirmed, there can be no assurance that the Chapter 11 Cases will continue; while the Debtors have confidence in the viability of the underlying business, the Chapter 11 Cases in the event confirmation is denied could be adversely impacted and in such event may instead be converted into liquidation cases under chapter 7 of the Bankruptcy Code. Likewise, there can be no assurance that any alternative chapter 11 plan or plans will be on terms as favorable to the holders of Claims and Interests as the terms of the **Modified Second Amended** Plan. If a liquidation or a protracted reorganization occurs, there is a substantial risk that the Debtors' going concern value will be substantially eroded to the detriment of all stakeholders. See below at Section X.A (entitled "Liquidation Under the Bankruptcy Code"), as well as the Liquidation Analysis, for a discussion of the effects that a chapter 7 liquidation may have on recoveries of holders of Claims and Interests.

4. The Bankruptcy Court May Not Approve the Required Releases, Injunctions and Exculpations Contained in the Modified Second Amended Plan.

As discussed above at Section IV.H (entitled "Provisions Relating to Releases, Exculpations, and Injunctions"), the **Modified Second Amended** Plan provides for certain releases, injunctions, and exculpations, with respect to certain Causes of Action that may otherwise be asserted against the Debtors, the Reorganized Debtors, the Exculpated Parties, the Released Parties, or their respective assets. Parties in interest may object to these provisions, which may not be approved by the Bankruptcy Court. If these provisions are not approved, certain Released Parties or Exculpated Parties may withdraw their support for the **Modified Second Amended** Plan. This may affect the Debtors' ability to proceed to seek confirmation of the **Modified Second Amended** Plan. The releases provided to the Released Parties and the exculpation provided to the Exculpated Parties are necessary to the success of the Debtors' reorganization because the Released Parties and Exculpated Parties have made significant contributions to the Debtors' reorganization efforts and have agreed to make further contributions, including by agreeing to convert certain of their Claims against the Debtors' estates into equity in Reorganized Incora, but only if they receive the full benefit of the **Modified Second Amended** Plan's release and exculpation provisions. The

Modified Second Amended Plan's release and exculpation provisions are an inextricable component of the Restructuring Support Agreement and the significant deleveraging and financial benefits embodied in the Modified Second Amended Plan.

5. The Effective Date May Not Occur.

The Restructuring Transactions in the Modified Second Amended Plan are subject to governmental and regulatory consents and approvals (including review under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended), which may not be obtained prior to the anticipated Effective Date. Although the Debtors believe that the Effective Date will occur soon after the Confirmation Date and that there is not a material risk that the Debtors will not be able to obtain the consents and approvals (including any antitrust approval) needed to implement the Restructuring Transactions and thus cause the Effective Date to occur, there can be no assurance that the Effective Date will occur on time or will occur at all. The Effective Date is also subject to certain conditions precedent, as described above at Section IV.I (entitled "Conditions to Effective Date"). Failure to meet any of these conditions (in the absence of a waiver in accordance with Article IX of the Modified Second Amended Plan) could prevent the Effective Date from occurring.

If the Effective Date does not occur, the Modified Second Amended Plan will be null and void, and the Confirmation Order may need to be vacated. In that case, no distributions will be made under the Modified Second Amended Plan, the Debtors and all holders of Claims and Interests will be restored to the status quo immediately prior to Confirmation, and the Debtors' obligations with respect to Claims and Interests will remain unchanged.

6. The DIP Financing May Be Terminated.

The DIP Financing, along with the consensual use of cash collateral, is intended to provide liquidity to the Debtors during the Chapter 11 Cases. The DIP Financing has a maturity date that was intended to provide for the prompt emergence from Chapter 11. If the Chapter 11 Cases take longer than expected to conclude or the Debtors do not comply with their covenants and obligations under the Final DIP Order or the DIP Note Purchase Agreement, the Debtors may exhaust or lose access to this financing. Unless the Debtors receive extensions, necessary waivers or are able to refinance the DIP Financing, the DIP Financing will mature on March 1, 2024. If the DIP Financing matures, the Debtors also would lose access to cash collateral to operate their business. There is no assurance that the Debtors will be able to obtain additional financing from the Debtors' existing lenders or otherwise, nor is there any assurance that the Debtors will receive consent from the DIP Note purchasers to continue to use their cash collateral if the DIP Financing matures. If the DIP Financing matures (or otherwise terminates), the Debtors may lose their ability to convert the principal amount of DIP Financing Claims into New Exit Notes and may therefore be required to pay the such amount in cash. In any such case, the Debtors may not have sufficient liquidity to maintain orderly functioning of their businesses.

7. The Restructuring Support Agreement May Be Terminated.

The Restructuring Support Agreement contains provisions that give the respective Consenting Parties the right to terminate the Restructuring Support Agreement if certain conditions

are not satisfied or waived. The **Modified Second Amended** Plan may not be confirmed if the Restructuring Support Agreement is terminated as to all Consenting Parties, which could result in protracted Chapter 11 Cases and detrimentally affect the Debtors' relationships with, among others, vendors, suppliers, customers and employers. Termination of the Restructuring Support Agreement could also result in the conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code.

Upon the occurrence of a Termination Date (as defined in the Restructuring Support Agreement) (other than a Termination Date as a result of the occurrence of the Effective Date), any and all votes (including any and all votes contained on a Master Ballot) submitted prior to such Termination Date by the Consenting Parties subject to such termination will automatically be deemed, for all purposes, to be null and void from the first instance and will not be counted in determining the acceptance or rejection of the **Modified Second Amended** Plan or for any other purpose. Such votes may be changed or resubmitted regardless of whether the Voting Deadline has passed (without the need to seek a court order or consent from the Debtors allowing such change or resubmission).

8. The Debtors May Seek to Amend, Waive, Modify, or Withdraw the Modified Second Amended Plan.

The Debtors reserve the right, in accordance with the Bankruptcy Code, the Bankruptcy Rules and the Restructuring Support Agreement, to amend or modify the **Modified Second Amended** Plan before the entry of the Confirmation Order or waive any conditions thereto if and to the extent such amendments or waivers are necessary or desirable to consummate the **Modified Second Amended** Plan. The potential impact of any such amendment or waiver on the holders of Claims and Interests cannot presently be foreseen but may include a change in the economic impact of the **Modified Second Amended** Plan on some or all of the proposed Classes or a change in the relative rights of such Classes. All holders of Claims and Interests will receive notice of such amendments or waivers required by applicable law and the Bankruptcy Court. If the Debtors seek to modify the **Modified Second Amended** Plan after receiving sufficient acceptances but before the Bankruptcy Court's entry of an order confirming the **Modified Second Amended** Plan, the previously solicited acceptances will be valid only if (a) all Classes of adversely affected holders accept the modification in writing or (b) the Bankruptcy Court determines, after notice to designated parties, that such modification was *de minimis* or purely technical or otherwise did not adversely change the treatment of holders of accepting Claims or Interests, or is otherwise permitted by the Bankruptcy Code.

The Debtors may also revoke or withdraw the **Modified Second Amended** Plan prior to the Confirmation Date.

9. Recoveries for Holders of General Unsecured Convenience Claims May Depend on Elections of Holders of General Unsecured Claims.

Under the **Modified Second Amended** Plan, certain holders of Claims in Class 7a (General Unsecured Claims) have the right to waive any Allowed portion of their Claims in excess of $1,500,000 and instead accept treatment as a holder of a General Unsecured Convenience Claim in an amount up to $1,500,000. Because no more than $7,500,000 will be distributed to holders of

General Unsecured Convenience Claims, the percentage recoveries of each holder of a General Unsecured Convenience Claims may be diminished if holders of General Unsecured Claims elect treatment as holders of General Unsecured Convenience Claims.

10. Ongoing Litigation and Other Contingencies Could Affect the Outcome of the Chapter 11 Cases.

The distributions available to holders of Allowed Claims under the **Modified Second Amended** Plan can be affected by a variety of contingencies. For example, the Debtors cannot predict with certainty the outcome ~~or effect of the resolution of claims arising from the~~**of any appeals of the Court's Ruling or other decisions applicable to the** Financing Litigation~~, including the 2022 Financing Adversary Proceeding, and an adverse outcome with respect to such litigation (including the invalidation of the 2022 Financing Transactions)~~**. Under the Appellate Adjustment Mechanism, an appellate outcome in the Financing Litigation that differs from the Court's Ruling** could materially ~~affect the Debtors' ability to consummate the Plan, resulting in protracted Chapter 11 Cases, and could significantly and detrimentally impact the Debtors' relationships with, among others, vendors, suppliers, employees, and major customers. Further, in such an event, the Restructuring Support Agreement may be terminated.~~**subsequently impact the distributions received by certain holders of Allowed Claims under the Plan.**

B. Business Risks

1. Results May Vary from the Projections and Other Forward-Looking Statements.

The Debtors' management and advisors have prepared the projections attached to this Disclosure Statement. While those projections have been presented with numerical specificity, the projections are necessarily based on a variety of estimates and assumptions which, though considered reasonable by management, may not be realized and are inherently subject to significant business, economic, competitive, industry, regulatory, market and financial uncertainties and contingencies, many of which will be beyond the Reorganized Debtors' control. The Debtors caution that they cannot make any representations as to the accuracy of these projections (or other forward-looking statements set forth in this Disclosure Statement) or to the Reorganized Debtors' ability to achieve the projected results. Some assumptions will inevitably differ from actual conditions. Furthermore, events and circumstances occurring after the date on which these projections were prepared may differ from any assumed facts and circumstances and may affect financial results in a materially adverse or materially beneficial manner. The projections and other forward-looking statements, therefore, should not be relied upon as a guarantee or other assurance of the actual results that will occur.

2. The Aerospace Industry May Experience a Downturn or the Global Economy May Experience a Recession.

Demand for the products and services the Debtors offer are directly tied to the delivery of new aircraft, aircraft utilization and repair of existing aircraft, which are in turn affected by global economic conditions. The airline and business jet industries are sensitive to changes in economic conditions. A recession in the U.S. or global economies would likely result in a decrease in capital

spending in the aerospace industry and have a materially adverse effect on the Debtors' operating results. For example, revenue passenger miles on commercial aircraft plummeted in 2020 due to the COVID-19 pandemic, leading to decreased revenues on a *pro forma* basis compared to the Debtors' predecessor businesses in 2019. Conversely, during periods of economic expansion, when capital spending normally increases, and Debtors generally benefit from greater demand for our products and services.

The commercial airline and business jet industries could experience a difficult operating environment due to several factors beyond the Debtors' control. As an example, the operating environment would be negatively affected by increasing fuel prices, industry consolidation, changes in regulation, terrorism, a resurgence of COVID-19, labor disruptions, or environmental concerns. Many of these factors could have a negative effect on air travel, which could materially and adversely affect the Debtors' business, financial condition and operating results.

Fluctuations in the global supply of crude oil, refined products including jet fuel, and the possibility of changes in government policies on the production, transportation and marketing of jet fuel make it impossible to predict the future availability and price of jet fuel. If there is an outbreak or escalation of hostilities or other conflicts or significant disruptions in oil production or delivery in oil-producing areas or elsewhere, there could be reductions in the production or importation of crude oil and significant increases in the cost of jet fuel. If there were major reductions in the availability of jet fuel or significant increases in its cost, commercial airlines would face increased operating costs. Due to the competitive nature of the airline industry, airlines are often unable to pass on increases in fuel prices to customers by increasing fares. As a result, an increase in jet fuel could result in a decrease in net income from either lower margins or, if airlines increase ticket fares, lower net sales from reduced airline travel. Decreases in airline profitability could decrease the demand for new commercial aircraft, resulting in delays of or reductions in deliveries of commercial aircraft that utilize the products we sell, and, as a result, the Debtors' business, financial condition and operating results could be materially adversely affected.

3. Global Military Spending May Decline.

During 2022, approximately 40% of our revenue was related to services and goods for military aircraft. The military market depends strongly on governmental budget trends, and especially on the budget of the U.S. Department of Defense. Future Department of Defense budgets could decline due to several factors, including changes to defense spending policy by current and future presidential administrations or Congresses, the U.S. government's budget deficits or government shutdowns, national spending priorities, the cost of sustaining the U.S. military presence in overseas operations, and political pressure to reduce military spending. A decline in U.S. military spending could result in a reduction in military aircraft production, which could materially and adversely affect the Debtors' business, financial condition and operating results.

In particular, military spending may be limited by the Fiscal Responsibility Act of 2023, which was passed in June 2023 (the "*Fiscal Responsibility Act*"). The Fiscal Responsibility Act established limits on federal defense spending during the government's fiscal years 2024 and 2025. The limits for fiscal years 2024 and 2025 may be enforced through sequestration—across-the-board spending cuts that arise if annual appropriations exceed the authorized amounts. The Debtors are unable to predict the effects that budget limits and sequestration provisions of the Fiscal

Responsibility Act may have on funding for the military programs that the Debtors support. However, any cuts may result in reductions, delays or cancellations of those programs, which could have a material adverse effect on the Debtors' business, financial condition and operating results.

4. Changes in Trade Policies May Negatively Affect the Debtors' Business.

The U.S. has, from time to time, signaled support for, and in some instances has taken action with respect to, major changes to certain trade policies, such as the imposition of additional tariffs on imported products and the withdrawal from or renegotiation of certain trade agreements, including the North American Free Trade Agreement. Further changes could also result in retaliatory actions by the United States' trade partners. For example, the United States has increased tariffs on certain imports from China, as well as on steel and aluminum products imported from various countries. In response, China, the European Union, and several other countries have imposed or proposed additional tariffs on certain exports from the United States.

The Debtors procure certain of the products we sell directly or indirectly from outside of the United States, including from China. The imposition of tariffs and other potential changes in U.S. trade policy could increase the cost or limit the availability of such products, which could hurt our competitive position and adversely impact our business, financial condition and results of operations. In addition, the Debtors sell a significant proportion of our products to customers outside of the United States. Retaliatory actions by other countries could result in increases in the price of our products, which could limit demand for such products, hurt the Debtors' global competitive position and have a material adverse effect on their business, financial condition and operating results.

5. New Regulations May Be Adopted.

If new and more stringent government regulations are adopted or if industry oversight increases, the Debtors' suppliers and customers may incur significant expenses to comply with the new regulations or heightened industry oversight. In the case of suppliers, these expenses may be passed on to the Debtors in the form of price increases, which the Debtors may be unable to pass along to our customers. In the case of customers, these expenses may limit their ability to purchase products. In each case, the Debtors' business, financial condition and operating results may be adversely affected. Additionally, the Debtors' own operations may be directly affected by new regulations, including new cyber-security regulations, accounting rules, and defense procurement rules.

6. The Debtors May Be Adversely Affected by Global Climate Change or by Regulatory or Market Responses to Climate Change.

The Debtors' regulators and contractual counterparties may respond to global climate change by imposing new regulations, contractual requirements, and other policies, which may lead to additional operational restrictions. Our opportunities for growth may be limited by increased costs across the aerospace industry as a result of climate change, and our business may be unsuccessful in adapting to changes in product designs, carbon offset requirements, and limits on greenhouse gas emissions, among other things. Furthermore, increasing attention to environmental,

social and governance (ESG) matters may lead to enhanced compliance and disclosure requirements and their attendant costs, especially if the Reorganized Debtors seek to offer securities on public markets.

7. The Debtors Are Subject to Special Business Risks as a Result of Supplying Equipment and Services to the U.S. Government.

Companies engaged in supplying defense-related equipment and services to U.S. government agencies are subject to risks specific to the defense industry. The Debtors contract directly with the U.S. government and also as a subcontractor to customers that contract with the U.S. government. Accordingly, the U.S. government may unilaterally suspend or prohibit the Debtors from receiving new contracts pending resolution of alleged violations of procurement laws or regulations, may revoke required security clearances, may reduce the value of existing contracts, and may audit the Debtors' contract-related costs and fees. In addition, most of the Debtors' U.S. government contracts and subcontracts can be terminated by the U.S. government or the contracting party, as applicable, at its convenience. Termination-for-convenience provisions typically provide only for the Debtors' recovery of costs incurred or committed, settlement expenses, and profit on the work completed prior to termination.

In addition, the Debtors are subject to U.S. government inquiries and investigations, including periodic audits of costs that we determine are reimbursable under government contracts. U.S. government agencies routinely audit their contracts to review performance, cost structure, and compliance with applicable laws, regulations and standards, as well as adequacy of a contractor's internal control systems and policies. Any costs found to be misclassified or inaccurately allocated to a specific contract are not reimbursable, and must be refunded to the extent already reimbursed. Also, any inadequacies in the Debtors' systems and policies could result in payment withholding, penalties, or loss of future business.

Government rules require contracting officers to impose contractual withholdings at no less than certain minimum levels if a contracting officer determines that at least one of a contractor's business systems has at least one significant deficiency. If a contracting officer were to impose a withholding on the Debtors or even on one of the Debtors' prime contractors, it would increase the risk that the Debtors would not be paid in full or paid timely. If future audit adjustments exceed the Debtors' estimates, the Debtors' profitability could be adverse affected.

If a government inquiry or investigation uncovers improper or illegal activities, the Debtors could be subject to civil or criminal penalties or administrative sanctions, including contract termination, fines, forfeiture of fees, suspension of payment, or suspension or debarment from doing business with U.S. government agencies, any of which could materially adversely affect the Debtors' reputation, business, financial condition and operating results.

The Debtors are also subject to the federal False Claims Act, which provides for substantial civil penalties and treble damages where a contractor presents a false or fraudulent claim to the government for payment. Actions under the False Claims Act may be brought by the government or by other persons on behalf of the government (who may then share in any recovery).

8. The Debtors May Lose Significant Customers or Significant Customers May Reduce Orders.

The Debtors' top ten customers during 2022 accounted for approximately 58% of revenue. A reduction in purchasing by or loss of one of the Debtors' larger customers for any reason, including changes in manufacturing or procurement practices, in-sourcing, merger, loss of a customer as a result of the acquisition of that customer by a purchaser that does not hire the Debtors, a transfer of business to a competitor, an economic downturn, failure to adequately service our clients or to manage the implementation of new customer sites, decreased production or a strike, could have a material adverse effect on the Debtors' business, financial condition and operating results.

9. Competitive Pricing Pressure and In-Sourcing May Decrease the Debtors' Revenue.

The Debtors operate in a highly competitive global industry and compete against a number of companies, including divisions of larger companies and certain of the Debtors' suppliers, some of which may have significantly greater financial resources than do the Debtors and therefore may be able to adapt more quickly to changes in customer requirements. These competitors consist of both U.S. and foreign companies and range in size from divisions of large public corporations to small privately held entities. Competition can be focused in the local service area and is generally based on product line breadth, product availability, service capabilities and price. The Debtors believe that their ability to compete depends on superior customer service and support, on-time delivery, sufficient inventory availability, competitive pricing and effective quality assurance programs. To remain competitive, the Debtors may have to adjust the prices of some of the products and services and continue investing in procurement, supply-chain management and sales and marketing functions, the costs of which could negatively impact the results of operations. Also, to the extent that the Debtors do not meet changing customer preferences or demands or to the extent that one or more competitors becomes more successful with private label products or otherwise, the Debtors' ability to attract and retain customers could be materially adversely affected.

In addition, the Debtors face competition for long-term contract customers both from competitors in the aerospace industry (including OEMs that are increasing the services portion of their businesses) and the in-sourcing of supply-chain management by the Debtors' customers themselves. If any long-term customer decides to in-source the services the Debtors provide or to switch to a competitor, the Debtors' business may be adversely affected.

Existing or future competitors also may seek to compete for acquisitions, which could have the effect of increasing the price and reducing the number of suitable acquisitions. In addition, consolidation among competitors or customers may make it more difficult for the Debtors to compete. Some competitors' financial, technological and other resources may be greater than the Debtors' or they may have less debt and, as a result, may be better able to withstand changes to industry conditions. The occurrence of any of these circumstances or events could materially adversely affect the Debtors' growth and profit margins.

10. The Debtors Do Not Have Guaranteed Future Sales.

Certain of the Debtors' contracts are long-term, fixed-price agreements with no guarantee of future sales volumes, and may be terminated for convenience on short notice by our customers, often without meaningful penalties. Some of these contracts provide that the Debtors are reimbursed upon termination only for the cost of any inventory that has been specifically procured for the terminating customer and that is not commonly sold to the Debtors' other customers. In addition, the Debtors purchase inventory based on their forecasts of anticipated future customer demand. As a result, the Debtors may take the risk of having excess inventory if customers do not place orders consistent with forecasts. This risk is especially pronounced with respect to inventory that has a more limited shelf-life. Also, even though the Debtors often enter into long-term pricing agreements with suppliers, they run the risk of not being able to pass along or otherwise recover unexpected increases in product costs, including as a result of commodity price increases and tariffs, which may increase above prices that are fixed under long-term customer contracts. When the Debtors are awarded new contracts, particularly just-in-time ("*JIT*") contracts, they may incur high costs, including salary and overtime costs, to hire and train on-site personnel, in the start-up phase of performance. In the event that the Debtors purchase more products than customers require, product costs increase unexpectedly, the Debtors experience high start-up costs on new contracts or the Debtors' contracts are terminated, the Debtors' business, financial condition, operating results and operating margins could be negatively affected.

11. Customers May Reduce Investment in New Manufacturing.

If the Debtors' customers decide to reduce their investment in manufacturing of new aircraft and aerospace equipment, it is likely that those customers will reduce the amount of goods that they purchase from or through the Debtors. While customers may reduce manufacturing volume for many reasons, an increase in interest rates or cost of capital would present a particular risk to the Debtors' business if such an increase causes many customers to simultaneously reduce their demand for hardware and chemicals. Likewise, the Debtors' clients in the aerospace industry may face declining demand if airlines conduct fewer flight operations, whether due to shortages of qualified pilots, labor disputes, declining demand for business travel, or other causes.

12. Customers May Become Financially Distressed or Insolvent.

If any of the Debtors' customers becomes insolvent or experiences substantial financial difficulties, the Debtors may be unable to timely collect amounts owed to them by those customers and may not be able to sell the inventory that they have purchased for those customers, which, if involving substantial sales, could have a material adverse effect on our business, financial condition and operating results.

13. Customers or Suppliers May Lose Government Approvals.

The aerospace industry is highly regulated in the United States and in other countries. The Federal Aviation Administration ("*FAA*") prescribes standards and other requirements for aircraft components in the United States and comparable agencies, such as the European Aviation Safety Agency, the Civil Aviation Administration of China and the Japanese Civil Aviation Bureau, regulate these matters in other countries. The Debtors' suppliers and customers must generally be

certified by the FAA, the U.S. Department of Defense and similar agencies in foreign countries. If any supplier's government certifications are revoked, the Debtors would be less likely to buy that supplier's products, and, as a result, would need to locate a suitable alternate supply of its products, which we be difficult to accomplish on commercially reasonable terms or at all. If any customer's government certifications are revoked, their demand for the Debtors' products would decline. In each case, the Debtors' business, financial condition and operating results may be adversely affected.

14. The Debtors May Be Unable to Effectively Manage Inventory.

Due to the lead times required by many of the Debtors' suppliers, they typically order products (particularly hardware products) in advance of expected sales, and the volume of those orders may be significant. Lead times generally range from several weeks up to two years, depending on industry conditions, which makes it difficult to manage inventory to match future demand. In addition, demand for the Debtors' products can fluctuate significantly, which can also negatively affect cash flows and inventory levels.

15. The Debtors May Not Be Able to Satisfy Customer Demands If Suppliers Cannot Supply Quality Products On Time, in Adequate Quantities, and at Reasonable Cost.

The Debtors' inventory is primarily sourced directly from producers and manufacturing firms. The Debtors depend on the availability of large supplies of their merchandise, which must also meet customers' quality standards. These suppliers may experience capacity constraints that result in their being unable to supply the Debtors with products in a timely manner, in adequate quantities and at a reasonable cost. Many such suppliers are experiencing inflationary pressures, as well as disruptions due to the lingering effects of COVID-19, global supply chain constraints and labor instability. Additionally, if one or more of the raw materials on which our suppliers depend becomes unavailable, or available only at very high prices, suppliers may be unable to deliver to the Debtors' and their customers at budgeted costs.

In particular, certain of the Debtors' products, such as wire and conduit, are commodity-price-based products and may be subject to significant price fluctuations that are beyond the Debtors' control. While increases in the cost of energy or products could have adverse effects, decreases in those costs, particularly if severe, could also adversely impact the Debtors by creating deflation in selling prices, which could cause our gross profit margin to deteriorate. Fluctuations in energy or raw materials costs can also adversely affect the Debtors' customers. Historically, declines in oil and gas prices have negatively impacted customers operating in those industries and, consequently, the Debtors' sales to those customers.

Beyond the foregoing considerations, procurement costs could rise due to changes in trade policies, such as additional tariffs on certain products imported into the United States or new sanctions against countries where such products are manufactured or where underlying raw materials are found. Any significant interruption in the supply of these products or termination of the Debtors' relationship with any suppliers could result in the Debtors being unable to meet the demands of customers, which would have a material adverse effect on the Debtors' business, financial condition and operating results.

The Debtors are also subject to the risk of supplier concentration. During 2022, PPG Industries, Precision Castparts, Howmet Aerospace, and Lisi Aerospace collectively supplied approximately 21.5% of the products the Debtors purchased. If any of these suppliers in particular were to experience the negative effects discussed above, this could have a material adverse effect on the Debtors' business, financial condition and operating results.

16. The Debtors May Face a Failure of Complex Information Systems.

The provision and application of information technology is an increasingly important aspect of the Debtors' business. Among other things, the Debtors' IT systems must interact with those of our customers, suppliers and logistics providers. The Debtors' operations depend on their ability to maintain existing systems and implement new technology, which includes allocating sufficient resources to periodically upgrade their information technology systems. Conversions to new information technology systems may result in cost overruns, delays or business interruptions. If the Debtors' information technology systems are disrupted (including due to a cyber-security attack), become obsolete or do not adequately support their strategic, operational or compliance needs, it could result in competitive disadvantage and adversely affect financial results and business operations, including the Debtors' ability to process orders, receive and ship products, maintain inventories, collect accounts receivable and pay expenses.

17. The Debtors Depend on Key Personnel, Whose Departure May Adversely Affect the Debtors' Financial Results.

The Debtors depend, and will continue to depend, on the services of key managerial, administrative, sales and field personnel, who possess the necessary experience and skills to operate the Debtors' businesses. The ability to attract and retain key employees is important to the Debtors' success and growth. Competition for these workers can be intense, and the Debtors may become unable to provide sufficient compensation to retain and motivate key employees, especially in an inflationary economic environment. For some positions, the Debtors may face additional challenges in integrating and retaining employees who primarily work from remote locations. The unexpected loss of key employees, whether to competitors, customer in-sourcing, retirement or other pursuits, could have a detrimental effect on the Debtors' financial condition or operational results.

18. Labor Disputes May Degrade the Debtors' Operations.

Labor disputes involving the Debtors or their customers or suppliers could degrade the Debtors' operations. If customers or suppliers are unable to negotiate new labor agreements and their plants experience slowdowns or closures, the Debtors net sales and profitability could be negatively affected.

Collective agreements may be in place on either a local or a national level at certain of the Debtors' (or their subsidiaries') international sites, and the employees of the Debtors' customers, suppliers and other service providers may be, or may in the future be, unionized. The Debtors cannot guarantee that there will not be any strike, lockout, work stoppage or material labor dispute with respect to their own business or those of their customers or suppliers, which may materially affect the Debtors business, financial condition and operating results.

19. Legal Proceedings May Adversely Affect the Debtors' Businesses.

From time to time, the Debtors may become involved in various legal proceedings incidental to their businesses, including patent, commercial, product liability, employment, or whistleblower litigation or claims, and regulatory investigations or proceedings. Even if each individual matter is not material to the Debtors' business, and even if the claims are without merit, such matters can divert employees' attention and cause the Debtors to incur significant expenses. Furthermore, because such matters are inherently unpredictable, there can be no assurance that the results of litigation will not have an adverse effect on the Debtors' businesses, financial results, or financial condition.

20. The Debtors Are Subject to Health, Safety and Environmental Laws and Regulations.

The Debtors are subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances (collectively, "*EHS laws*") relating to pollution, protection of the environment and human health and safety, and the handling, transportation, storage, treatment, disposal and remediation of hazardous substances, including potentially with respect to historical chemical blending and other activities that pre-dated the purchase of the Haas business. Actual or alleged violations of EHS laws, or permit requirements could result in restrictions or prohibitions on operations and substantial civil or criminal sanctions, as well as, under some EHS laws, the assessment of strict liability and/or joint and several liability. Furthermore, the Debtors may be subject to future claims by employees who assisted in supplying chemicals or providing chemical management services at our customer's operations, or by other persons, including the Debtors' customers and their employees.

Governmental, regulatory and societal demands for increasing levels of product safety and environmental protection are resulting in increased pressure for more stringent regulatory control with respect to the chemical industry. The European Union's Registration, Evaluation, Authorization and Restriction of Chemicals ("*REACH*") regulations enacted in 2009 have been a continuing source of compliance obligations and restrictions on certain chemicals, and REACH-like regimes have now been adopted in several other countries. In the United States, the core provisions of the Toxic Substances Control Act (the "*TSCA*") were amended in June 2016 for the first time in nearly 40 years. Among the more significant changes are that these amendments mandate safety reviews of existing "high priority" chemicals and regulatory action to control any "unreasonable risks" identified as result of such reviews. The U.S. Environmental Protection Agency (the "*EPA*") also now must make a "no unreasonable risk" finding before a new chemical can be fully commercialized. These new mandates create uncertainty about whether existing chemicals of importance to our business may be designated for restriction and whether the new chemical approval process may become more difficult and costly.

Finally, certain of the Debtors have in the past sold products containing per- and polyfluoroalkyl substances ("*PFAS*"), including perfluorooctanoic acid ("*PFOA*"). Certain PFAS, including PFOA, have been targeted for risk assessment, restriction, and high priority remediation and have been the subject of ongoing and substantial litigation in the United States, the United Kingdom and the European Union. The Debtors have not received any claims or enforcement actions from governments or third parties relating to PFOA or any other PFAS.

In addition, these concerns could influence public perceptions regarding the Debtors' operations and their ability to attract and retain customers and employees. Moreover, changes in EHS laws could inhibit or interrupt the Debtors' operations, or require them to modify facilities or operations. Accordingly, environmental or regulatory matters may cause the Debtors to incur significant unanticipated losses, costs, capital expenditures or liabilities, which could reduce their profitability. Such losses, costs, capital expenditures or liabilities will be subject to evolving regulatory requirements and will depend on the timing of the promulgation and enforcement of specific standards which impose requirements on our operations. As a result, these losses, costs, capital expenditures or liabilities may be more than currently anticipated.

21. The Debtors' Insurance Coverage May Prove Inadequate.

The Debtors carry liability, property, directors' and officers', and other insurance policies that are designed to cover insurable risks. The Debtors select the types of insurance, the limits, and the deductibles based on the Debtors' specific risk profile, general industry standards, and the cost of the coverage versus its perceived benefit. The Debtors' insurance policies commonly contain standard exclusions for events such as war. Although the Debtors attempt to select reputable insurance carriers, the Debtors may be unable to access an insurance policy whose carrier does not have sufficient capital to meet the coverage. Even if carriers remain able to pay their policies, the Debtors' policies may prove to be inadequate.

22. Failure of a Product Could Result in a Recall.

Most of the products that the Debtors supply go into critical aerospace manufacturing applications. A failure of such components could lead to a product recall. If a recall were to happen as a result of failure by a component supplied by the Debtors, the Debtors could bear a substantial part of the cost of correction. In addition to the cost of fixing the parts affected by the component, a recall could result in the loss of a portion of or all of the customer's business. The loss of a key customer or a successful legal claim by a customer arising from a product recall could have a material adverse effect on our business, financial condition, operating results and cash flows from operations. While the failure of a component is usually attributable to the original manufacture of the component, there can be no assurance that a successful product recall claim would not impact the Debtors as supplier, and could negatively affect their financial condition and results of operations.

23. Failure of a Product Could Result in an Aircraft Crash.

The Debtors may be exposed to liabilities for personal injury, death or property damage due to the failure of a product that the Debtors have sold. The Debtors typically agree to indemnify their customers against certain liabilities resulting from such products, and any third-party indemnification from the Debtors' suppliers and liability insurance may not fully cover those indemnification obligations to customers. The Debtors also may not be able to maintain insurance coverage in the future at an acceptable cost. Any liability for which third-party indemnification is not available that is not covered by insurance could have a material adverse effect on the Debtors' business, financial condition and results of operations.

In addition, a crash caused by a product that a Debtor has sold could damage the Debtors' reputation for selling quality products. The Debtors believe that customers consider safety and reliability as key criteria in selecting a provider of aircraft products and believe that the Debtors' reputation for quality assurance is a significant competitive strength. If a crash were to be caused by a product that a Debtor has sold, or if the Debtors are to otherwise fail to maintain a satisfactory record of safety and reliability, their ability to retain and attract customers may be materially adversely affected.

24. The Debtors May Experience a Catastrophic Event at a Warehouse.

A significant portion of the Debtors' inventory is concentrated in several large warehouses, and the Debtors may be exposed to a significant loss of inventory if a catastrophic event occurs at any of those locations, including by fire, tornado, flood, explosion, or shelving collapse. Even though the Debtors maintain customary and appropriate insurance coverage, it is possible that insurance proceeds will not adequately compensate the Debtors for losses, including indirect losses from interruption of business if a short-term loss of inventory renders the Debtors incapable of satisfying their customers' immediate needs. A catastrophic event may also expose the Debtors to environmental liabilities, including from a release of hazardous chemicals.

25. The Debtors Face Risks Inherent in International Operations.

The Debtors and their subsidiaries have significant international operations, with facilities in Argentina, Australia, Brazil, Canada, China, France, Germany, India, Ireland, Israel, Italy, Japan, Mexico, Philippines, Poland, Singapore, Turkey, the United Kingdom and the United States, and customers throughout North America, Latin America, Europe, Asia and the Middle East. In 2022, approximately 40% of sales were derived from outside the United States.

These international operations are subject to the following risks, among others:

- the burden of complying with multiple and possibly conflicting laws and any unexpected changes in regulatory requirements;
- political risks, including risks of loss due to civil disturbances, acts of terrorism, acts of war, guerilla activities and insurrection;
- unstable economic, financial and market conditions and increased expenses due to inflation, or higher interest rates;
- difficulties in enforcement of third-party contractual obligations and collecting receivables through foreign legal systems;
- changes in global trade policies;
- increasingly complex laws and regulations concerning privacy, data protection and data security, including the EU's General Data Protection Regulation and the United Kingdom's equivalent;
- difficulties in staffing and managing international operations and the application of foreign labor regulations;
- differing local product preferences and product requirements; and

- adverse tax consequences from changes in tax laws, requirements relating to withholding taxes on remittances and other payments by subsidiaries and restrictions on the Debtors' ability to repatriate dividends from subsidiaries.

26. The Debtors Are Subject to Exchange Rate Fluctuations.

Given the international nature of their operations, the Debtors are exposed to currency exchange rate fluctuations as a portion of their revenues and expenses are denominated in currencies other than the U.S. dollar. The Debtors and their subsidiaries generate a significant proportion of profits in both British pounds sterling and euros, and hence their operating profits can be adversely affected when the U.S. dollar strengthens against these currencies. Operating results of certain of foreign subsidiaries are translated into U.S. dollars for purposes of statements of comprehensive income at average monthly exchange rates. Moreover, to the extent that net sales are not denominated in the same currency as expenses, net earnings could be materially adversely affected. For example, a portion of labor, material and overhead costs for the Debtors' facilities in the United Kingdom, Germany, France and Italy are incurred in British pounds sterling or euros, but in certain cases the related net sales are denominated in U.S. dollars. Changes in the value of the U.S. dollar or other currencies could result in material fluctuations in foreign currency translation amounts or the U.S. dollar value of transactions and net earnings could thereby be materially adversely affected. At times the Debtors have engaged in hedging transactions to manage or reduce foreign currency exchange risk, but these transactions may not be successful and, as a result, the Debtors' business, financial condition and operating results could be materially adversely affected. During 2022, fluctuations in foreign currency translation had a negative effect on cash of approximately $3.5 million.

27. International Operations Require Compliance with Numerous Anti-Corruption and Trade Control Laws and Regulations.

Doing business on a worldwide basis requires the Debtors to comply with the laws and regulations of many governments, including the United States and the United Kingdom. The Debtors' failure to comply with these rules and regulations may expose us to liability. These laws and regulations can apply to companies, individual directors, officers, employees and agents, and may restrict the Debtors' operations, trade practices, investment decisions and partnering activities. The risk of violating anti-corruption laws is increased because some of the international locations in which the Debtors operate lack a highly developed legal system and have elevated levels of corruption, and because the Debtors' industry is highly regulated.

In particular, the Debtors' international operations are subject to U.S. and foreign anti-corruption laws and regulations, such as the Foreign Corrupt Practices Act ("*FCPA*"), the UK Bribery Act (the "*Bribery Act*") and other applicable anti-corruption regimes. These laws generally prohibit us from providing anything of value, directly or indirectly, to foreign government officials for the purposes of improperly influencing official decisions, improperly obtaining or retaining business, or otherwise obtaining favorable treatment. As part of the Debtors' business, they may deal with governments and state-owned business enterprises, the employees and representatives of which may be considered government officials for purposes of the FCPA, the Bribery Act or other applicable anti-corruption laws. Some anti-corruption laws, such as the Bribery Act, also prohibit commercial bribery and the acceptance of bribes. Failure to comply with these laws could result

in civil and criminal penalties and other sanctions, which could negatively impact the Debtors' financial condition and operating results. Even if the Debtors are not ultimately sanctioned by government authorities, the costs of investigation and review, distraction of personnel, legal defense costs, and harm to reputation could be substantial and could limit profitability.

As an exporter, The Debtors must comply with various laws and regulations relating to the export of products, services and technology from the United States and other countries having jurisdiction over our operations. In the United States, these laws include, among others, the Export Administration Regulations (the "*EAR*") administered by the Department of Commerce's Bureau of Industry and Security, the International Traffic in Arms Regulations ("*ITAR*") administered by the Department of State's Directorate of Defense Trade Controls, and trade sanctions, regulations and embargoes administered by the Department of the Treasury's Office of Foreign Assets Control ("*OFAC*"). OFAC enforces certain laws and regulations that impose restrictions upon U.S. nationals, U.S. permanent residents, persons located in the United States or entities organized under the laws of a U.S. jurisdiction (collectively, "*U.S. Persons*"), upon business conducted in whole or in part in the United States and, in some instances, upon foreign entities owned or controlled by U.S. Persons, with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of such U.S. economic sanctions. These laws and regulations may require the Debtors to obtain licenses from the relevant agency to export, re-export, or transfer commodities, software, technology, or services to certain jurisdictions, individuals, or entities. The Debtors cannot be certain that their applications for export licenses or other authorizations will be granted or approved. Furthermore, the export license and export authorization process is often time-consuming.

Violations of these legal requirements can be punishable by criminal fines and imprisonment, civil penalties, disgorgement of profits, injunctions, debarment from government contracts, seizure and forfeiture of unlawful attempted exports, and/or denial of export privileges, as well as other remedial measures. The Debtors have established policies and procedures designed to assist us, our personnel and our agents to comply with applicable U.S., UK and international laws and regulations. However, there can be no guarantee that these policies and procedures will effectively prevent the Debtors, their employees or their agents from violating these regulations in every transaction in which the Debtors may engage, and violations, allegations or investigations of such violations could materially adversely affect the Debtors' reputation, business, financial condition and results of operations.

28. The Debtors May Be Subject to Changes in Tax Laws or Challenges to Their Tax Positions.

The Debtors are subject to taxes in jurisdictions in which they do business, including taxes imposed on income, receipts, stockholders' equity, property, sales, purchases and payroll. As a result, the Debtors' tax expense can be adversely affected by changes in tax law. The Debtors often cannot anticipate these changes in tax law, which can cause unexpected volatility in results of operations. Additionally, the tax laws to which the Debtors are subject are inherently complex and often ambiguous. Therefore, the Debtors must interpret the applicable laws and make subjective judgments about the expected outcome upon challenge by the applicable taxing authorities. As a result, the impact on results of operations from the application of enacted tax laws to actual facts

and circumstances is frequently uncertain. There can be no assurance that the Debtors can accurately predict the outcome of a tax authority's challenge to the Debtors' interpretation and application of tax laws, and the taxes ultimately owed upon effective settlement may differ from the tax expense recognized in consolidated statements of income and accrued on consolidated balance sheets. Additionally, if the Debtors cannot meet liquidity requirements in the United States, they may have to repatriate funds from overseas, which may result in a U.S. tax liability on the amount repatriated.

29. Financial Results May Fluctuate from Period to Period.

Many factors, such as the cyclical nature of the aerospace industry, fluctuations in the Debtors' ONdemand sales, delays in major aircraft programs, planned production shutdowns, downward pressure on sales prices and changes in the volume of customers' orders could cause financial results to fluctuate from period to period. For example, during 2022, approximately $218 million of revenue was derived from ONdemand sales. The prices charged for ONdemand sales are typically higher than the prices under long-term contracts. However, customers may not continue to purchase the same amount of products on an ONdemand basic as they have in the past, so it cannot be assured that the Debtors will be able to generate similar levels of ONdemand net sales as they did in 2022. The Debtors are also actively working to transition customers from ONdemand purchases to long-term contracts, which may also result in a reduction in our ONdemand net sales. A significant reduction in ONdemand sales in any given period could result in fluctuations in financial results and operating margins. As a result of these factors, quarter-to-quarter comparisons of the Debtors' financial results are not necessarily meaningful and these comparisons cannot be relied upon as indicators of future performance.

C. Risks Relating to the New Common Equity

1. A Liquid Market for the New Common Equity May Not Develop.

There is currently no market for the New Common Equity, and there can be no assurance that any such market will develop. **Furthermore, the Appellate Adjustment Mechanism may impact the liquidity of the New Common Equity by subjecting certain of the New Common Equity to changes that could materially impact its economic value depending on the outcome of the Financing Litigation.** The New Common Equity may, therefore, be illiquid securities without an active trading market. The Reorganized Debtors will be under no obligation to list the New Common Equity on any securities exchange. There can be no assurance as to the prices at which the New Common Equity might be traded, even if an active trading market develops. Accordingly, holders of the New Common Equity may bear certain risks associated with holding securities for an indefinite period of time.

2. The New Common Equity May Be Subject to Restrictions on Transfers.

Any New Common Equity issued to an entity that is an "underwriter," as defined in section 1145(b) of the Bankruptcy Code, will be "restricted securities" subject to resale restrictions and may be resold, exchanged, assigned, or otherwise transferred only pursuant to registration or an

applicable exemption from registration under the Securities Act and other applicable law. In addition, the New Common Equity will not be freely tradable if, at the time of a transfer, the holder is an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act or had been such an "affiliate" within 90 days of the transfer. "Affiliate" holders will be permitted to sell New Common Equity without registration only if they comply with an exemption from registration, such as Rule 144 under the Securities Act.

The New Common Equity will not be registered under the Securities Act or any other securities laws, and the Debtors make no representation regarding the right of any holder to freely resell securities.

The terms of the New Organizational Documents are expected to contain prohibitions on the transfer of the New Common Equity, to the extent such transfer would subject the Reorganized Debtors to the registration and reporting requirements of the Securities Act and the Securities Exchange Act. Furthermore, the terms of the New Organizational Documents may contain additional transfer restrictions. These terms will be binding on all recipients of New Common Equity under the **Modified Second Amended** Plan, including any recipients who do not vote to accept the **Modified Second Amended** Plan or affirmatively consent to the New Organizational Documents.

3. The New Common Equity May Become Diluted.

The ownership percentage represented by the New Common Equity distributed on the Effective Date will be subject to dilution by any equity issued pursuant to any Management Incentive **Modified Second Amended** Plan. The New Common Equity may also be diluted by any other equity interests that may be issued in connection with the **Modified Second Amended** Plan or after consummation of the **Modified Second Amended** Plan in accordance with the terms of the New Organization Documents, and the conversion of any options, warrants, convertible securities, exercisable securities, or other securities that may be issued after consummation of the **Modified Second Amended** Plan.

4. Ownership of the New Common Equity May Be Concentrated with a Limited Number of Holders.

Certain holders of Claims may acquire a significant ownership interest in the New Common Equity pursuant to the **Modified Second Amended** Plan. Such holders may be in a position to control the outcome of all actions requiring stockholder approval, including the election of directors, without the approval of other stockholders. This concentration of ownership could also facilitate or hinder a negotiated change of control of the Reorganized Debtors and may consequently affect the value of the New Common Equity. Further, the possibility that one or more holders of significant numbers of units of New Common Equity may sell all or a large portion of their New Common Equity in a short period of time may adversely affect the market price of the New Common Equity.

5. The New Common Equity Will Be Subordinated to the Reorganized Debtors' Indebtedness.

In any subsequent reorganization, liquidation, dissolution, or winding up of the Reorganized Debtors, the New Common Equity will rank below all debt claims against the Reorganized Debtors. As a result, holders of the New Common Equity will not be entitled to receive any payment or other distribution upon the reorganization, liquidation, dissolution, or winding up of the Reorganized Debtors until after all the Reorganized Debtors' obligations to their creditors have been satisfied.

6. Any Valuation That May Be Implied by the Modified Second Amended Plan Does Not Represent Trading Value or Fundamental Value of the New Common Equity.

The valuations implied by the terms of the **Modified Second Amended** Plan are not intended to represent the trading value of the New Common Equity in public or private markets or the fundamental value of the Reorganized Debtors, all of which are difficult to predict. Actual market prices of the Reorganized Debtors' securities will depend upon, among other things, (a) prevailing interest rates, (b) conditions in the financial markets, (c) the anticipated initial securities holdings of prepetition creditors and equity holders, some of whom may prefer to liquidate their investment rather than hold it on a long-term basis, and (d) other factors that generally influence the prices of securities. The actual market prices of the New Common Equity, if any such market exists, are likely to be volatile. Many factors, including factors unrelated to the Reorganized Debtors' actual operating performance, could cause the market prices of the New Common Equity to rise and fall. Accordingly, any values implied by the **Modified Second Amended** Plan do not necessarily reflect, and should not be construed as reflecting, values that will be attained for these securities in the public or private markets.

7. Reorganized Incora May Not Pay Dividends.

Reorganized Incora may not pay any dividends on the New Common Equity and may instead retain any future cash flows for debt reduction and to support the Reorganized Debtors' operations. As a result, the success of an investment in the New Common Equity may depend entirely on future appreciation in value. There is, however, no guarantee that the New Common Equity will appreciate in value or even maintain its initial value.

8. Reorganized Incora Is Expected to Be a Private Company.

The Debtors expect that Reorganized Incora will not be subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act. As a result, holders of the New Common Equity may receive less information with respect to the Reorganized Debtors' business than they would have received if Reorganized Incora were subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

9. Recoveries on the New Common Equity May Be Diminished If Reorganized Incora Is Sold.

If the Reorganized Incora Board determines to sell substantially all assets of the Reorganized Debtors, the proceeds of such a sale would be distributed in conformity with the New Organizational Documents. Accordingly, such a sale may crystallize New Common Equity holders' recoveries before the Reorganized Debtors have had an opportunity to capture their businesses' full potential for growth. Likewise, if holders of the New Common Equity exercise "drag" rights under the New Organizational Documents, other holders of New Common Equity may be forced to sell their New Common Equity at a price that may not fully reflect the Debtors' potential for growth.

10. The Debtors' Indemnification Obligations Could Affect the Value of New Common Equity.

Certain holders of Allowed Claims are expected to receive the New Common Equity under the **Modified Second Amended** Plan, the value of which may be affected by the indemnification obligations owed to the 1L Indenture Trustee and Holders of 1L Notes Claims. The Debtors cannot predict with certainty the potential value, if any, of such indemnification obligations, but payments on account of such indemnification obligations could adversely impact the value of the New Common Equity.

The **Modified Second Amended** Plan provides indemnification for certain non-Debtor indemnitees, including such claims as may arise from the Financing Litigation. The ~~Formerly Secured~~**2024/2026** Noteholder Group objects to the indemnification, and is challenging the transaction giving rise to such claimed indemnity in the Financing Litigation. Additionally, the ~~Formerly Secured~~**2024/2026** Noteholder Group believes that if such indemnification is approved, and the indemnitees present Allowed Claims from the Financing Litigation, the amount of such claims will be significant and may threaten the liquidity and financial stability of the Reorganized Debtors, and make the **Modified Second Amended** Plan not feasible. The Debtors disagree.

D. Risks Relating to the Financing Facilities

1. The Exit Facilities May Not Become Available to the Debtors.

Pursuant to the **Modified Second Amended** Plan, the Debtors intend to obtain commitments under the New Revolver Facility in order to ensure sufficient liquidity to operate their businesses upon emergence from the Chapter 11 Cases. As of the date of this Disclosure Statement, there can be no assurance that the Debtors will successfully obtain these commitments.

In addition, the New Revolver Facility Documents include (or will include) various conditions to closing. The Debtors cannot give assurances that they will meet these conditions. If any of the New Revolver Facility Documents are not consummated, and the Debtors are unable to promptly obtain replacement facilities, the ability of the Debtors to complete the Restructuring Transactions will be materially and adversely affected.

Even if the New Revolver Facility is entered into, the Reorganized Debtors may be unable to remain in compliance with covenants under that facility, in which case the Reorganized Debtors may be unable to access the full committed amount.

2. The Exit Facilities May Inhibit the Reorganized Debtors from Obtaining Additional Financing.

Although the **Modified Second Amended** Plan will result in the elimination of debt, the Reorganized Debtors will continue to have a significant amount of indebtedness after the Effective Date, including the New Exit Notes, the New Takeback Notes, and the New Revolver Facility . That indebtedness may limit the ability of the Reorganized Debtors to obtain additional financing for working capital, capital expenditures, debt service requirements, and general corporate or other purposes. The Reorganized Debtors' indebtedness may also limit their ability to adjust to changing market conditions and to withstand competitive pressures, possibly leaving them vulnerable in a downturn in general economic conditions or in its business, or unable to carry out necessary maintenance or capital expenditures.

3. The Exit Facilities Are Subject to Ongoing Negotiation

The Exit Facilities are subject to ongoing marketing and negotiation. Accordingly, the material economic terms of each of the Exit Facilities—including tenor, interest rate, cash interest rate, call protection, collateral package, guarantee package and structural subordination—are not yet known. The Debtors believe that the exhibits to this Disclosure Statement are predicated on reasonable assumptions regarding the Exit Facilities, including that the Reorganized Debtors will have discretion to pay interest on the New Takeback Notes in kind, but cannot give assurance that the Exit Facilities' final terms will correspond to the assumptions that have been incorporated into those exhibits. If the Debtors cannot obtain sufficiently favorable terms for the Exit Facilities, the Debtors may be unable to obtain Confirmation of the **Modified Second Amended** Plan.

4. The New Takeback Notes Are Subject to the Appellate Adjustment Mechanism

Certain of the New Takeback Notes are subject to the Appellate Adjustment Mechanism, which could materially impact their economic value depending on the outcome of the Financing Litigation. Furthermore, as a result, the New Takeback Notes may be more likely to be illiquid.

E. Other Risks

1. The Debtors Have No Duty to Update This Disclosure Statement.

Except where specifically noted, the statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement. There can be no assurance that those statements will remain correct or accurate at any time after that date. Absent an order from the Bankruptcy Court, the Debtors have no duty to update the Disclosure Statement.

2. No Representations Outside This Disclosure Statement Are Authorized.

The Debtors have not authorized any Person or Entity to provide any information about, or concerning, the **Modified Second Amended** Plan, other than the information contained in this Disclosure Statement. In addition, the Debtors have not authorized any entity to make any representations concerning the Debtors or the value of their property, other than as set forth in this Disclosure Statement. Any other representations or inducements made to secure the vote of any holder of Claims for acceptance or rejection of the **Modified Second Amended** Plan should not be relied upon.

3. The Restructuring Is Expected to Give Rise to Cancellation of Debt Income and Other Tax Risks.

The Restructuring is expected to give rise to cancellation of debt income (COD Income) for U.S. federal income tax purposes. See the tax disclosures set forth in Section VII (entitled Federal Income Tax Considerations) for further information regarding COD Income and other tax considerations.

The tax consequences of the Restructuring Transactions to the Reorganized Debtors may materially differ depending on how the Restructuring Transactions are structured. For example, the Debtors' tax attributes may be, in connection with the implementation of the **Modified Second Amended** Plan, significantly reduced, subject to limitation or entirely unavailable to the Reorganized Debtors, depending, in part, on whether the transaction is structured such that the Reorganized Debtors would be treated as purchasing certain of the assets of the Debtors for U.S. federal income tax purposes. The Debtors have not yet determined how to structure the Restructuring Transactions in light of the tax and non-tax considerations. For a discussion of certain tax considerations to the Debtors and certain holders of Claims in connection with the implementation of the **Modified Second Amended** Plan as well as certain tax implications of owning and disposing of the consideration to be received pursuant to the **Modified Second Amended** Plan, see Section VII of this Disclosure Statement.

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SECTION X.
ALTERNATIVES TO THE MODIFIED SECOND AMENDED PLAN

A. LIQUIDATION UNDER THE BANKRUPTCY CODE

If the **Modified Second Amended** Plan is not confirmed, the Chapter 11 Cases could be converted to liquidation cases under chapter 7 of the Bankruptcy Code. In chapter 7, a trustee would be appointed to promptly liquidate the Debtors' assets.

Although it is impossible to predict precisely how the proceeds of a liquidation would be distributed to the respective holders of Claims, the Debtors believe that the value of their Estates would be substantially diminished in a chapter 7 liquidation, due to a loss of going concern value. The assets available for distribution to creditors would be reduced by the additional administrative expenses of a chapter 7 trustee and the trustee's professional advisors, as well as by Claims (some entitled to priority) that would arise from the rejection of leases and executory contracts once the Debtors cease operations.

The Debtors could also be liquidated pursuant to the provisions of a chapter 11 plan. In a liquidation under chapter 11, the Debtors' assets could be sold in a more orderly fashion over a longer period of time than in a chapter 7 liquidation, resulting in greater recoveries than in a chapter 7 liquidation. However, the Estates would still lose their going concern value, and the delay in distributions could result in lower present values being received and higher administrative costs. Because a trustee is not required in a chapter 11 liquidation, expenses for professional fees could be lower than in a chapter 7 liquidation. However, the drafting and solicitation of a liquidation plan would result in additional administrative costs.

The Debtors believe that any liquidation is a much less attractive alternative for creditors than the **Modified Second Amended** Plan because of the greater recoveries that the Debtors anticipate will be provided under the **Modified Second Amended** Plan. The Debtors believe that the **Modified Second Amended** Plan affords substantially greater benefits to holders of Claims than would liquidation under any chapter of the Bankruptcy Code.

The Liquidation Analysis, prepared by the Debtors with their financial advisors, premised upon a chapter 7 liquidation, is attached to this Disclosure Statement as **Exhibit C**. In the Liquidation Analysis, the Debtors have considered the nature, status, and underlying value of their assets, the ultimate realizable value of such assets, and the extent to which the assets are subject to liens and security interests. Based on this analysis, it is likely that a liquidation of the Debtors' assets would produce less value for distribution to creditors and equity interest holders than that recoverable in each instance under the **Modified Second Amended** Plan. The Debtors believe it is highly unlikely that holders of Claims or Interests in Class 5 (1.25L Notes Claims), Class 7a (General Unsecured Claims), Class 7b (General Unsecured Convenience Claims), Class **7c (2024 Unsecured Notes Claims), Class** 8 (PIK Notes Claims), or Class 10 (Existing Equity Interests) would receive any distribution in a liquidation under either chapter 7 or chapter 11.

B. Alternative Modified Second Amended Plans of Reorganization

If the **Modified Second Amended** Plan is not confirmed, the Debtors (or if the Debtors' exclusive period in which to file a plan of reorganization expires or is terminated, any other party in interest) could attempt to formulate a different plan. Such a plan might involve (a) a reorganization and continuation of the Debtors' businesses or (b) an orderly liquidation of their assets. The Debtors, however, believe that the **Modified Second Amended** Plan, as described herein, enables their creditors to realize the most value under the circumstances.

The Debtors could continue to manage their businesses and maintain their properties as debtors-in-possession, subject to the restrictions imposed by the Bankruptcy Code. However, it is not clear that the Debtors could continue as a going concern in protracted Chapter 11 Cases if Confirmation of the **Modified Second Amended** Plan is denied. In such a circumstance, the Debtors may face higher costs of operating amid eroding confidence of customers and vendors. Furthermore, if the DIP Financing were terminated as a result of failure to achieve timely Confirmation of the **Modified Second Amended** Plan, it likely would be difficult for the Debtors to find alternative financing.

C. Sale Under Section 363 of the Bankruptcy Code

If the **Modified Second Amended** Plan is not confirmed, the Debtors could evaluate whether to seek authorization from the Bankruptcy Court to sell their assets under section 363 of the Bankruptcy Code or through an amended plan. In the event of any sales, the DIP Secured Parties and other secured creditors would be entitled to credit bid on any property to which their security interests are attached to the extent of the value of their security interests, and to offset their Claims against the purchase price of the property. In addition, the security interests in the Debtors' assets held by holders of Secured Claims would attach to the proceeds of any sale of the Debtors' assets to the extent of the security interests in those assets. The Debtors do not believe a sale of assets under section 363 of the Bankruptcy Code would yield a higher recovery for the holders of Claims under the **Modified Second Amended** Plan.

D. Non-Bankruptcy Liquidation or Foreclosure

If the **Modified Second Amended** Plan is not confirmed, the Chapter 11 Cases could be dismissed, in which case separate liquidation or dissolution proceedings may be commenced in the various jurisdictions where the Debtors are organized, including (as to some) the United Kingdom. Such proceedings may be lengthy, are unlikely to be effectively coordinated across courts, and are unlikely to preserve the going concern value of the Debtors' enterprise. Accordingly, the Debtors believe that dismissal of the Chapter 11 Cases in favor of non-bankruptcy proceedings is a much less attractive alternative for creditors as compared to the **Modified Second Amended** Plan.

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SECTION XI.
CONCLUSION AND RECOMMENDATION

The Debtors believe that acceptance and confirmation the **Modified Second Amended** Plan is in the best interests of their estates. The Debtors therefore urge all holders of Claims in the Voting Classes to submit timely votes to accept the **Modified Second Amended** Plan.



Dated: ~~January 12~~**August 23**, 2024
Fort Worth, Texas

WESCO AIRCRAFT HOLDINGS, INC,
on behalf of itself and each of its Debtor affiliates

By: */s/ David Coleal*

David Coleal
Chief Executive Officer

EXHIBIT 2 TO THE MOTION

FORM OF LLC AGREEMENT (FIRST LIEN NOTEHOLDER GROUP PROPOSAL)

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT[1]

OF

[NEWCO] LLC

A Delaware Limited Liability Company

Effective as of [●], 2024

THE UNITS DESCRIBED HEREIN HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER ANY FEDERAL OR STATE SECURITIES LAWS. SUCH UNITS ARE SUBJECT TO THOSE RESTRICTIONS ON TRANSFER CONTAINED HEREIN AND IMPOSED BY LAW. THE UNITS ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM SUCH REGISTRATION OR QUALIFICATION REQUIREMENTS. THE UNITS CANNOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH THE RESTRICTIONS ON TRANSFERABILITY CONTAINED IN THIS LIMITED LIABILITY COMPANY AGREEMENT AND APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

[1] **Note to Draft**: This draft has been prepared solely to facilitate discussions and remains subject to ongoing review and comment in all respects. It is not intended, and shall not be deemed, to constitute an offer or agreement, or to create legally binding or enforceable obligations, of any type or nature. No such offer, agreement or obligations shall be made or created among the parties identified herein, except pursuant to a written agreement executed and delivered by such parties to each other.

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[NEWCO] LLC

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT is entered into as of [•], 2024 (the "**Effective Date**"), by and among [NewCo] LLC, a Delaware limited liability company (the "**Company**"), the Members party to this Agreement as of the date hereof (including each Member deemed to be a party hereto pursuant to the Chapter 11 Plan) and such other Persons as shall hereinafter become Members in accordance with the terms of this Agreement and the Delaware Act. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in Article 1.

WHEREAS, on June 1, 2023, Wesco Aircraft Holdings, Inc. and its affiliated debtors (the "**Debtors**") filed voluntary petitions under chapter 11 of title 11 of the U.S. Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**") commencing cases jointly administered under case number 23-90611 (MI) (the "**Chapter 11 Cases**");

WHEREAS, on January 12, 2024, the Debtors filed the Modified First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al. [Docket No. 1223] (as amended, supplemented or otherwise modified from time to time, including all exhibits, appendices and schedules thereto, the "**Chapter 11 Plan**") with the Bankruptcy Court;

WHEREAS, on [_____ __], 2024, the Bankruptcy Court entered the [__] [Docket No. [__]] confirming the Chapter 11 Plan;

[WHEREAS, pursuant to the Chapter 11 Plan, (i) holders of Allowed 1L Notes Claims (as defined in the Chapter 11 Plan) will receive $420 million in principal amount of new convertible notes (the "**New Take-Back Notes**") and 96.5% of the New Common Equity in Reorganized Incora (as such terms are defined in the Chapter 11 Plan) (subject to dilution by any New Common Equity issued in respect of the Management Incentive Plan) and (ii) holders of Allowed General Unsecured Claims (as defined in the Chapter 11 Plan) will receive 3.5% of the New Common Equity in Reorganized Incora (subject to dilution by any New Common Equity issued in respect of the Management Incentive Plan);][2]

WHEREAS, the Company was formed under the Delaware Act pursuant to the Certificate filed on [__], 2024;

WHEREAS, the Company was initially governed by that certain Limited Liability Company Agreement of the Company dated as of [_____ __], 2024 (the "**Prior Agreement**");

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[2] **Note to Draft**: Subject to revision pending finalization of emergence structure.

WHEREAS, the parties intend that the Company be established as Reorganized Incora pursuant to the Chapter 11 Plan;

WHEREAS, pursuant to the Chapter 11 Plan, each Person entitled to receive New Common Equity and/or New Take-Back Notes pursuant to the Chapter 11 Plan shall be (i) entitled to receive Common Units and 2032 Convertible Notes, as applicable, and (ii) deemed to be a party to this Agreement as a Member without the requirement to execute this Agreement (though each Registered Holder (as defined herein) shall be required to execute this Agreement but shall be bound hereby regardless of whether it does so, and each DTC Holder (as defined herein) shall be deemed to be bound hereby, without the need for execution of this Agreement by such DTC Holder);

WHEREAS, the parties hereto wish to (i) continue the Company as a limited liability company in accordance with the Delaware Act and (ii) provide for, among other things, how the business and affairs of the Company shall be managed, all as permitted under the Delaware Act;

WHEREAS, the Company and the Members intend that the Company be classified as a corporation for U.S. federal and applicable state and local income tax purposes; and

WHEREAS, the parties hereto desire to amend and restate the Prior Agreement in its entirety as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby amend and restate the Prior Agreement in its entirety and agree as follows:

ARTICLE 1
DEFINITIONS

Capitalized terms used but not otherwise defined herein shall have the following meanings:

"**2032 Convertible Notes**" means the 6% Convertible Notes due 2032 of the Company.

"**Acceptance Notice**" has the meaning set forth in Section 6.06(b).

"**Accredited Investor**" means an accredited investor as defined in Regulation D promulgated under the Securities Act.

"**Affiliate**" of any particular Person means (a) if such particular Person is not a natural Person, any other Person directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with such particular Person, and (b) if such particular Person is a natural Person, (i) any Family Member of such particular Person or (ii) any other Person directly or indirectly, through one or more

intermediaries, controlling, controlled by or under common control with such particular Person; *provided* that (x) the Company and its Subsidiaries and controlled Affiliates shall not be considered Affiliates of any Member or of any Member's Affiliates for purposes of this Agreement and (y) no Member shall be considered an Affiliate of any other Member solely by reason of a Member's membership interest in the Company or such Member's right to designate, or designation of, one or more Managers. The terms "**Affiliated**", "**Unaffiliated**" and other words of like import shall have the correlative meanings.

"**Affiliate Transaction**" means any transaction between the Company or any of its Subsidiaries, on the one hand, and any Member or Affiliate of a Member or a Person that would be a Permitted Transferee of a Member, on the other hand. Notwithstanding anything that may be deemed to the contrary in this Agreement, (i) the payment of any amounts permitted under the New Take-Back Notes or any Debt Instrument issued pursuant to Section 6.06, (ii) the entry into, amendment, modification (including by waiver), termination or performance of the New Take-Back Notes or any Debt Instrument issued pursuant to Section 6.06 in each case, in accordance with their terms and (iii) any issuance of Offered Securities or the exercise of a Member's Preemptive Rights under Section 6.06, in each case, shall be deemed not to be an Affiliate Transaction for purposes of this Agreement.

"**Affiliated Manager**" means, with respect to a Member having a Designation Right, any Manager appointed by such Member pursuant to such Designation Right that is an employee, officer or director of such Member or its Affiliates.

"**Agreement**" means this Amended and Restated Limited Liability Company Agreement, as may be amended, restated or otherwise or modified from time to time in accordance with the terms hereof.

"**All-In Yield**" means, as to any debt for borrowed money, the yield thereof incurred or payable by the applicable borrower generally to all lenders of such debt in an amount equal to the sum of (a) the applicable margin and (b) original issue discount, make-whole premium and upfront fees; provided that (i) original issue discount, make-whole premium and upfront fees shall be equated to interest rate assuming a life to maturity on a straight line basis (or, if less, the stated life to maturity at the time of incurrence of the applicable debt); and (ii) "All-In Yield" shall not include amendment fees, arrangement fees, structuring fees, commitment fees, underwriting fee and any similar fees payable to any lead arranger (or its Affiliates) in connection with the commitment or syndication of such debt, consent fees paid to consenting lenders, ticking fees on undrawn commitments and any other fees not paid or payable generally to all lenders in the primary syndication of such debt and (iii) the interest rate (exclusive of margin) after giving effect to any (A) Eurocurrency Rate, (B) SOFR or (C) Base Rate floor, as each of (A)-(C) are to be defined in the applicable definitive documentation underlying such debt incurrence.

"**Attorney-in-Fact**" has the meaning set forth in Section 14.14.

"**Bankruptcy Code**" has the meaning set forth in the recitals.

"**Bankruptcy Court**" has the meaning set forth in the recitals.

"**Board**" has the meaning set forth in Section 5.01(a).

"**Board Majority**" means, with respect to a matter to be voted on or consented to by the Board, approval by a number of Managers constituting at least a majority of the total number of Managers on the Board at such time.

"**Board Observer**" has the meaning set forth in Section 5.02(j).

"**Business Day**" means any day other than a Saturday, Sunday, or any other day on which banks are required to be closed for business in New York, New York.

"**Business Issuance**" means an issuance of Equity Securities that is one of the following: (i) the issuance of profits units or other Equity Securities under the Management Incentive Plan or any other bona fide equity incentive plan that has been approved by the Board in accordance with this Agreement; (ii) the issuance of Equity Securities to a third party pursuant to or in consideration for the acquisition of, or investment in, another Person, business or assets by the Company or any of its Subsidiaries, whether by purchase of stock, merger, consolidation, purchase of any assets of such Person or otherwise, in each case, that has been approved by the Board in accordance with this Agreement; (iii) the issuance of Equity Securities upon the conversion or exercise or exchange of any options, warrants or other securities convertible into, or exercisable or exchangeable for, Equity Securities, that are outstanding on the Effective Date or are issued after the Effective Date in compliance with the provisions of Section 6.06; (iii) the issuance of Equity Securities by any Subsidiary of the Company to the Company or any of its Subsidiaries; (iv) the issuance of Equity Securities of the Company in connection with payment of Distributions (including in kind), Unit splits, Unit dividends, combinations, reclassification, recapitalization or any other similar action, provided, in each case, any such issuance or payment to holders of outstanding Units of any class is made on a pro rata basis to all holders of outstanding Units of such class; and (v) the issuance of Equity Securities as a *bona fide* "equity kicker" to lenders (excluding the Members or their Permitted Transferees) or other institutional investors (excluding the Members or their Permitted Transferees) in any arm's length transaction in which such lenders or investors provide debt financing to the Company or any of its Subsidiaries.

"**Capital Contributions**" means with respect to any Member, any cash, cash equivalents, promissory obligations and the Fair Market Value of other property (other than cash and net of any liabilities secured by such other property that the Company is considered to assume or take) which a Member contributes to the Company, whenever made, and whether actual or implied, in each case, as set forth on the Schedule of Members.

"**Capital Leases**" means any lease of any property (whether real, personal or mixed) by a Person as lessee that, in conformity with GAAP, is or is required to be accounted for as a capital lease on the balance sheet of that Person.

"**Cause**" means the following: (a) indictment, conviction of, or entry of a plea of guilty or no contest to, (i) a felony or (ii) any crime (other than a felony) that has, or could reasonably be expected to have, an adverse impact on the Company's or its Affiliates' reputation, operations or financial performance or the relationship the Company has with its Affiliates, customers and suppliers, or on the performance of such Person's duties to the Company or any of its Affiliates; (b) misappropriation (or attempted misappropriation) of any assets or business opportunities of the Company or any of its Affiliates; (c) gross negligence or willful misconduct with respect to the Company or any of its Affiliates, including fraud, embezzlement, theft or proven dishonesty in the course of such Person's employment or engagement by the Company or any of its Affiliates; (d) habitual alcohol abuse or use of controlled substances (other than prescription drugs taken in accordance with a physician's prescription); I material breach of any agreement with or duty owed to the Company or any of its Affiliates; (f) material violation of the policies of the Company or its Affiliates, including but not limited to those relating to sexual harassment or business conduct, and those otherwise set forth in the manuals or statements of policy of the Company or its Affiliates; or (g) material breach of any duty or obligation to the Company or any of its Affiliates (whether arising by statute, common law, contract or otherwise) relating to confidentiality, noncompetition, nonsolicitation or proprietary rights.

"**CEO Manager**" has the meaning set forth in Section 5.02(a)(iv).

"**Certificate**" means the Company's Certificate of Formation as filed with the Secretary of State of Delaware.

"**Chairman**" has the meaning set forth in Section 5.02(e).

"**Chapter 11 Cases**" has the meaning set forth in the recitals.

"**Chapter 11 Plan**" has the meaning set forth in the recitals.

"**Common Units**" means a Unit designated as a "Common Unit" and having the rights and obligations specified with respect to a "Common Unit" in this Agreement.

"**Company**" has the meaning set forth in the preamble.

"**Company Competitor**" has the meaning set forth in Section 14.01(b).

"**Confidential Information**" means all information regarding the Company and its Subsidiaries and their respective assets, businesses and affairs of any sort (whether merely remembered or embodied in a tangible or intangible form). Confidential Information includes (a) this Agreement, the information, observations and data obtained by any Member in his, her or its capacity as a Member during the course of his, her or its ownership of Units under this Agreement concerning the business and affairs of the

Company and its Subsidiaries, (b) information concerning acquisition opportunities in or reasonably related to the Company's or its Subsidiaries' business or industry of which such Member becomes aware as a result of his, her or its ownership of the Units, (c) information concerning the Persons that are current, former or prospective suppliers or customers of the Company or any of its Subsidiaries during such Member's ownership of Units, and (d) the development, transition and transformation plans, methodologies and methods of doing business, strategic, marketing and expansion plans, including plans regarding planned and potential sales, financial and business plans, employee and client lists and telephone numbers, locations of sales representatives, new and existing programs and services, prices and terms, customer service, integration processes, requirements and costs of providing service, support and equipment. Notwithstanding the foregoing, Confidential Information does not include information which (i) was or becomes generally available to the public other than as a result of a breach of this Agreement by such Member or any of its Affiliates or their respective representatives, (ii) was, is or becomes lawfully available to the Member or its representatives on a non-confidential basis from sources other than the Company or its Subsidiaries or their respective representatives; *provided* that such sources are not known to be prohibited by contractual, legal or fiduciary obligation from transmitting the information, or (iii) is independently developed by such Member or any of its Affiliates or their respective representatives without the use of any Confidential Information.

"**control**" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise. The terms "**controlling**", "**controlled**" and other forms of the word "control" shall have the correlative meanings.

"**Covered Person**" means (i) each Member and each former Member, (ii) each officer, director, manager, shareholder, partner, member, controlling Affiliate, employee, agent or representative of each Member and each former Member, (iii) each Manager of the Company, each manager or director of each Subsidiary of the Company and each former member of the board of managers or board of directors of the Company or any of its Subsidiaries and (iv) each Officer of the Company and each officer of each Subsidiary of the Company and each former officer of the Company or any of its Subsidiaries.

"**Debt Instruments**" means, with respect to any Person, obligations for borrowed money (whether evidenced by loans, bonds, debentures, notes or similar instruments of indebtedness for borrowed money). For the avoidance of doubt, "Debt Instruments" does not include any (a) Equity Securities, (b) seller financing or deferred purchase price in connection with any acquisition transaction or (c) trade payables.

"**Debtors**" has the meaning set forth in the recitals.

"**Delaware Act**" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, *et seq.*

"**Designation Rights**" has the meaning set forth in Section 5.02(d).

"**DGCL**" means the General Corporation Law of the State of Delaware.

"**Disproportionately Affected Member**" has the meaning set forth in Section 14.02.

"**Distribution**" has the meaning set forth in Section 4.01(a).

"**Drag-Along Member**" has the meaning set forth in Section 9.03(a).

"**Drag-Along Notice**" has the meaning set forth in Section 9.03(c).

"**Drag-Along Sale**" has the meaning set forth in Section 9.03(a).

"**Drag-Along Seller**" has the meaning set forth in Section 9.03(a).

"**DTC**" means The Depository Trust Company or its successor.

"**DTC Holders**" has the meaning set forth in Section 9.01(d).

"**Effective Date**" has the meaning set forth in the preamble.

"**Emergency Purposes**" means financing that is needed to (a) allow the Company to continue to meet its obligations as they come due or (b) avoid a restructuring or other judicial process after exhausting all superior alternatives in a reasonable timeframe based on a reasonable liquidity forecast, in each case, as determined by a Board Majority, including at least one Independent Manager.

"**Equity Securities**" means (i) the Units, (ii) the 2032 Convertible Notes and any other securities convertible into or exchangeable for Units, (iii) any other equity interests or equity-linked securities issued by the Company, (iv) options, warrants or other rights to acquire Units or any other equity interest or equity-linked security issued by the Company, and (v) any security, exchangeable, exercisable or convertible into any security of the type described in clauses (i) through (iv) above.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Exercise Period**" has the meaning set forth in Section 6.06(a).

"**Fair Market Value**" has the meaning set forth in Section 13.02.

"**Family Members**" means, with respect to any Person, such Person's spouse (or former spouse) or domestic partner, child or stepchild, grandchild, parent, stepparent, sibling, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, niece or nephew, including adoptive relationships of such individual.

"**Fiscal Quarter**" means each calendar quarter ending March 31, June 30, September 30 and December 31, or such other quarterly accounting period as may be established by the Board.

"**Fiscal Year**" means the calendar year ending on December 31, or such other annual accounting period as may be established by the Board.

"**Fully Electing Member**" has the meaning set forth in Section 6.06(b).

"**GAAP**" means United States generally accepted accounting principles, consistently applied, in effect and applicable to the accounting period in respect of which reference to GAAP is being made.

"**Governmental Entity**" means the United States of America or any other nation, any state, municipality or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government.

"**Held of Record**" shall have the same definition as set forth in Rule 12g5-l under the Exchange Act, or any successor provision. "**Hold of Record**" and "**Holder(s) of Record**" shall have correlative meanings.

"**Independent**" means an individual who is not and has not been within the last three years, (i) a director, manager (of a limited liability company), officer, employee, independent contractor, consultant or partner of the Company or any of its Subsidiaries, any PIMCO Member, SP Member or any Affiliate thereof or the Company or any Subsidiary thereof or (ii) a director or officer of an organization that has made to or received from any of the foregoing payments which, in any of the last three fiscal years, exceed $200,000.

"**Independent Manager**" has the meaning set forth in Section 5.02(a)(iii).

"**Initiating Transferor**" means the Member that holds the Common Units proposed to be Transferred.

"**Interest**" means an interest in the Company, including the right of the holder thereof to any and all benefits to which a holder thereof may be entitled as provided in this Agreement together with the obligations of a holder thereof to comply with all of the terms and provisions of this Agreement.

"**Investors**" has the meaning set forth in Section 6.05(e).

"**IPO**" means (i) a sale of equity securities of PublicCo pursuant to a firm commitment underwritten offering (or series of related offerings) of equity securities to the public, (ii) a direct listing of equity securities of PublicCo on the New York Stock Exchange or the NASDAQ Stock Market LLC or another exchange or marketplace approved by the Board, in each case, pursuant to an effective registration statement under the Securities Act, or (iii) a SPAC Transaction.

"**IPO Conversion**" has the meaning set forth in Section 14.16.

"**Lien**" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or

other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any Capital Lease having substantially the same economic effect as any of the foregoing), in each case, in the nature of security; *provided* that in no event shall an operating lease in and of itself be deemed a Lien.

"**Liquidation Assets**" has the meaning set forth in Section 12.02(b)(i).

"**Liquidation FMV**" has the meaning set forth in Section 12.02(b)(i).

"**Losses**" has the meaning set forth in Section 6.04(a).

"**M&A Transaction**" has the meaning set forth in Section 5.04(d)(vii).

"**Management Incentive Plan**" means the Management Incentive Plan of the Company as approved by the Board.

"**Manager**" has the meaning set forth in Section 5.01(a).

"**Member**" means each Person listed on the Schedule of Members attached hereto as Exhibit A (as it may be updated from time to time), and any Person admitted to the Company as a Member in accordance with the terms hereof; but only for so long as such Person is shown on the Company's books and records as the owner of one or more Units, 2032 Convertible Notes and/or any other Equity Securities, as applicable.

"**Member Meeting**" has the meaning set forth in Section 5.09(a).

"**Minimum Holding**" shall mean [___]% of the Outstanding Units.[3]

"**Net Transaction Proceeds**" means the net cash proceeds or the Fair Market Value of other property (taking into account all fees and expenses paid or payable by the Company and its Subsidiaries in connection with such Sale of the Company) distributed to such Member pursuant to Section 4.01(a) in connection with such Sale of the Company or prior thereto. For the avoidance of doubt, Net Transaction Proceeds shall not include any repayment of debt financing provided by a Member to the Company or any of its Subsidiaries.

"**New Take-Back Notes**" has the meaning set forth in the recitals.

"**Offered Securities**" has the meaning set forth in Section 6.06(a).

"**Officer(s)**" has the meaning set forth in Section 5.08(a).

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[3] **Note to Draft**: Appropriate threshold for holders to be required to hold outside DTC (along with PIMCO and SP) to be finalized.

"**Other Indemnitors**" has the meaning set forth in Section 6.04(f).

"**Outstanding Units**" shall mean as of the time of determination, the issued and outstanding Units as of such time. Outstanding Units does not include (i) any Units issuable upon exercise or conversion of 2032 Convertible Notes and/or any other Equity Securities unless and until issued or (ii) any Units to be issued pursuant to the Management Incentive Plan on a deferred basis following the Effective Date as contemplated by the Management Incentive Plan, in each case, which have not actually been issued as of the time of determination.

"**Participating Interests**" has the meaning set forth in Section 9.02(a)(iii)(B).

"**Participating Preemptive Member**" has the meaning set forth in Section 6.06(b).

"**Permitted Transferee**" means (a) in the case of a Member that is not a natural person, any Affiliate of such Member as of the applicable time (other than any Affiliate that is a portfolio company of such Member), (b) in the case of a Member that is a natural person, such Member's Family Members (or the Family Members of such Member's spouse) heirs, executors or legal representatives upon the death, incompetency or disability of such Member, or any trust, partnership or similar entity established for the sole benefit of such Member or such Member's Family Members (or the Family Members of such Member's spouse) heirs, executors or legal representatives or (c) any fund, account or other investment vehicle that is directly or indirectly managed, advised or sub-advised by (i) such Member, (ii) an advisor controlled by such Member or (iii) the direct or indirect manager, advisor or sub-advisor of such Member (as such terms in this clause (c) are customarily understood among institutional private equity investors or credit asset managers).

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, association or other entity or a Governmental Entity.

"**PIMCO Manager**" has the meaning set forth in Section 5.02(a)(i).

"**PIMCO Member**" means those Members that are Affiliates of [PIMCO], collectively.

"**Preemptive Percentage Interest**" means, as of any date of determination with respect to any Qualified Preemptive Member, the quotient (expressed as a percentage) obtained by dividing (i) the number of Common Units beneficially owned by such Qualified Preemptive Member as of such date by (ii) the sum of all Common Units owned by all Qualified Preemptive Members outstanding as of such date.

"**Preemptive Right**" has the meaning set forth in Section 6.06(b).

"**Preemptive Rights Notice**" has the meaning set forth in Section 6.06(a).

"**Preemptive Rights Security**" means (i) any Equity Securities of the Company or any of its Subsidiaries, (ii) any Debt Instrument issued by the Company or any of its Subsidiaries having an All-In Yield of less than SOFR *plus* 700 basis points or (iii) any Debt Instrument issued by the Company or any of its Subsidiaries for Emergency Purposes in respect of an issuance of less than $100 million and having an All-In Yield between SOFR *plus* 700 basis points and SOFR *plus* 900 basis points.

"**Prior Agreement**" has the meaning set forth in the recitals.

"**Proceeding**" has the meaning set forth in Section 6.04(a).

"**PublicCo**" means the entity contemplated by Section 14.16 pursuing an IPO.

"**Qualified Preemptive Member**" means any Member that is an "accredited investor" under Regulation D of the Securities Act and whose Undiluted Ownership Percentage is greater than 2%.

"**Registered Holder**" has the meaning set forth in Section 9.01(c).

"**Related Persons**" means, with respect to a Person, and without duplication, (i) such Person's Affiliates and (ii) any fund, account, investment vehicle or co-investment vehicle that is controlled, managed, advised or sub-advised by such Person or any of its Affiliates or the same investment manager, advisor or sub-advisor as such Person or any Affiliate of such investment manager, advisor or sub-advisor.

"**Requisite Members**" means, at any time, each Member having an Undiluted Ownership Percentage of 25% or more.

"**residuals**" has the meaning set forth in Section 6.05.

"**Retroactive Preemptive Issuance**" has the meaning set forth in Section 6.06(e)(ii).

"**Sale of the Company**" means any (a) sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any Person or Persons that is not an Affiliate of the Company immediately prior to such sale, lease, transfer, conveyance or other disposition, (b) liquidation, dissolution or winding up of the Company (whether by merger, consolidation, recapitalization, reorganization, sale or exchange of Common Units, sale of assets or otherwise) or (c) merger, consolidation or other business combination transaction or series of related transactions (other than a Drag-Along Sale) the result of which is that any Person or "group" (as defined in Section 13 of the Exchange Act) of Persons who is not an Affiliate of the Company immediately prior to such merger, consolidation or other business combination transaction or series of related transactions and who becomes the beneficial owner (as such term is defined in Rule 13d-3 and Rule 13d-5 of the Exchange Act), directly or indirectly, of more than 50% of the Common Units.

"**Schedule of Members**" has the meaning set forth in Section 3.01(d).

"**Second Exercise Period**" has the meaning set forth in Section 6.06(b).

"**Secured Site**" has the meaning set forth in Section 7.06.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Service Provider**" means an individual who is or was an employee of, or independent contractor or similar service provider to, the Company or any of its Subsidiaries.

"**SOFR**" means the Secured Overnight Financing Rate as published on the website of the Federal Reserve Bank of New York.

"**SP Manager**" has the meaning set forth in Section 5.02(a)(ii).

"**SP Member**" means those Members that are Affiliates of [Silver Point Capital, L.P.], collectively.

"**SPAC**" means any publicly traded blank check company and/or special purpose acquisition company or vehicle pursuing an initial business combination or any Subsidiary thereof that, immediately prior to the consummation of the initial business combination transaction, (a) has no material assets (other than proceeds from its initial public offering, the private placement of securities in connection therewith and working capital loans made by such company's sponsor, management team or their respective Affiliates), and (b) has no material liabilities or obligations (other than ordinary course payables to vendors, professionals, consultants and other advisors, deferred underwriting fees incurred in connection with its initial public offering and otherwise to the extent arising from the rights of the company's public shareholders to redeem their shares and receive liquidating distributions under specified circumstances).

"**SPAC Transaction**" means (a) a transaction or series of related transactions, by merger, consolidation or other business combination pursuant to which a majority of the business, assets or divisions of the Company or any successor thereto or Subsidiary thereof is combined with that of a SPAC, regardless of the percentage of the Members' ownership interest in the entity resulting from or surviving such merger, consolidation or other business combination, (b) the sale, transfer, exchange or other disposition of all or a majority of the business, assets, divisions or voting securities of the Company or any successor thereto or Subsidiary thereof to a SPAC, whether by way of merger, consolidation or otherwise, or (c) a restructuring, recapitalization or similar transaction resulting in the combination of the Company or any successor thereto or Subsidiary thereof with a SPAC, in each case, as a result of which the surviving entity (or its parent entity) is listed on the New York Stock Exchange or the NASDAQ Stock Market LLC or another exchange or marketplace approved by the Board.

"**Subsidiary**" means, with respect to any Person, any other Person of which such Person owns, directly or indirectly, more than 50% of the outstanding equity securities or

securities carrying the voting power in the election of the board of directors or other governing body of such Person.

"**Tag-Along Consummation Period**" has the meaning set forth in Section 9.02(a)(v).

"**Tag-Along Interests**" has the meaning set forth in Section 9.02(a)(ii)(A).

"**Tag-Along Member**" has the meaning set forth in Section 9.02(a)(i).

"**Tag-Along Notice**" has the meaning set forth in Section 9.02(a)(i).

"**Tag-Along Notice Period**" has the meaning set forth in Section 9.02(a)(iii).

"**Tag-Along Offer**" has the meaning set forth in Section 9.02(a)(i).

"**Tag-Along Percentage Interest**" means, with respect to any Member and as of any date of determination, a fraction (expressed as a percentage) (i) the numerator of which is the number of Common Units held by such Member as of such date and (ii) the denominator of which is the total number of outstanding Common Units as of such date.

"**Tag-Along Response Notice**" has the meaning set forth in Section 9.02(a)(iii).

"**Tag-Along Sale**" has the meaning set forth in Section 9.02(a).

"**Third Party Information**" has the meaning set forth in Section 6.05.

"**Transfer**" means any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other direct or indirect disposition or encumbrance of an interest (whether with or without consideration, whether voluntarily or involuntarily or by operation of law), including any direct or indirect Transfer of Equity Securities or Interests or Transfer of any equity interests in or from a Person who owns, directly or indirectly, through ownership of equity interests in any other Person, any Equity Securities or Interests, but excluding (a) conversions and redemptions of Units by the Company made in accordance with this Agreement and (b) any pledge or grant of a security interest in the Units held by the PIMCO Member or the SP Member as collateral security to any of their respective lenders or other debt financing sources pursuant to a bona fide debt financing (any such pledge or grant, a "**Collateral Assignment**"); *provided* that (i) no Collateral Assignment shall in any way affect any obligations or liabilities of the applicable Member under this Agreement, (ii) a subsequent foreclosure upon the Units subject to any such Collateral Assignment by the pledgee or assignee thereunder shall constitute a Transfer of such Units the consummation of which shall be subject to the conditions to, and restrictions on, Transfers set forth in this Agreement, including the provisions of Section 9.01, and (iii) notwithstanding any such foreclosure by any such pledgee or assignee, such pledgee or assignee shall not be admitted as a Member under this Agreement and shall not be entitled to exercise any rights under this Agreement, other than the right to receive distributions hereunder to the extent that the applicable Member would have received

such distributions with respect to the pledged Units had such foreclosure not occurred, in each case, unless expressly approved by a majority of the disinterested members of the Board. The terms "**Transferee,**" "**Transferor,**" "**Transferred**" and other forms of the word "**Transfer**" shall have the correlative meanings.

"**Undiluted Ownership Percentage**" means, as of any applicable time with respect to any Member, a fraction (expressed as a percentage) the numerator of which is the aggregate number of Common Units owned by such Member and its Permitted Transferees and the denominator of which is the aggregate number of Common Units issued and outstanding, excluding in each case (a) any Common Units granted as of the date hereof to employees or other Service Providers of the Company or any of its Subsidiaries pursuant to the Management Incentive Plan or any other equity incentive plan adopted by the Board and (b) any Common Units issued in connection with a Business Issuance.

"**Unit**" means a unit representing a fractional part of the membership interests of all of the Members and shall include all types and classes and/or series of Units; *provided* that any type or class or series of Unit shall have the designations, preferences and/or special rights set forth in this Agreement and the membership interests represented by such type or class or series of Unit shall be determined in accordance with such designations, preferences and/or special rights.

"**Weighted Average T-Bill Rate**" means the weighted average interest rate on three-month Treasury Bills for the applicable period as reported in the Wall Street Journal.

ARTICLE 2
ORGANIZATIONAL MATTERS

Section 2.01. *Formation of the Company*. The Company was formed on [_____ __], 2024, pursuant to the provisions of the Delaware Act.

Section 2.02. *Limited Liability Company Agreement*. This Agreement constitutes the "limited liability company agreement" of the Company within the meaning of the Delaware Act. The Members hereby execute this Agreement for the purpose of establishing the affairs of the Company and the conduct of its business in accordance with the provisions set forth herein and the Delaware Act. The Members hereby agree that during the term of the Company set forth in Section 2.07, the rights, powers and obligations of the Company and the Members with respect to the Company will be determined in accordance with the terms and conditions of this Agreement and, except where the Delaware Act provides that such rights, powers and obligations specified in the Delaware Act shall apply "unless otherwise provided in a limited liability company agreement" or words of similar effect and such rights, powers and obligations are set forth in this Agreement, the Delaware Act; *provided* that, notwithstanding the foregoing, Section 18-210 of the Delaware Act (entitled "No statutory appraisal rights") and Section 18-305(a) of the Delaware Act (entitled "Access to and confidentiality of information; records") shall not apply or be incorporated into this Agreement. To the extent that the

rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall control, to the fullest extent permitted by the Delaware Act.

Section 2.03. *Name*. The name of the Company shall be "[Newco] LLC". The Board may change the name of the Company at any time and from time to time; *provided* that such name contains the words "Limited Liability Company", the abbreviation "L.L.C." or the designation "LLC". Notification of any such change shall be given to all Members, *provided* that failure to provide any such notice shall not affect the validity of any such change. The Company's business may be conducted under its name or any other name or names deemed advisable by the Board.

Section 2.04. *Purpose*. The purpose and business of the Company shall be to engage in any lawful acts or other activities for which limited liability companies may be organized under the Delaware Act.

Section 2.05. *Powers*. Subject to the other terms of this Agreement, as applicable, the Company shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in Section 2.04. Notwithstanding anything in this Agreement to the contrary, nothing set forth herein shall be construed as authorizing the Company to take or engage in any action forbidden by law to a limited liability company organized under the laws of the State of Delaware.

Section 2.06. *Principal Office; Registered Office*. The principal office of the Company shall be located at such place as the Board may from time to time designate. The Company may maintain offices at such other place or places as the Board deems advisable. Notification of any such change in the principal office shall be given to all Members; *provided* that failure to provide any such notice shall not affect the validity of any such change. The address of the registered office of the Company in the State of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by applicable law, and the registered agent for service of process on the Company in the State of Delaware at such registered office shall be the registered agent named in the Certificate or such Person or Persons as the Board may designate from time to time in the manner provided by applicable law.

Section 2.07. *Term*. The term of the Company commenced upon the filing of the Certificate in accordance with the Delaware Act and shall continue in existence until the Company is terminated, dissolved or liquidated in accordance with the provisions of Article 11 and the Delaware Act.

Section 2.08. *No State-Law Partnership*. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement for any purposes other than as set forth in the last sentence of this Section 2.08 and neither this

Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. The Members intend that the Company shall be treated as a corporation for U.S. federal and all applicable state and local income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE 3
MEMBER MATTERS; UNITS; CAPITAL CONTRIBUTIONS

Section 3.01. *Members; Units*.

(a) *Initial Membership Interests*. [The initial membership interests of the Company issued pursuant to the Prior Agreement are hereby canceled for no consideration.][4]

(b) *Units Generally*. The Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. The Company may (but need not) issue certificates representing the Units at the election of the Board. The ownership by a Member of Units shall entitle such Member to the rights set forth in this Agreement, including the right to Distributions of cash and other property as set forth in Article 4 and Article 12 hereof, and subject the Member holding such Units to the terms and conditions of this Agreement. As of the Effective Date, (i) the Company shall have one class of Units, which is designed as "Common Units" and (ii) after giving effect to the issuance of the New Common Equity pursuant to the Chapter 11 Plan, the initial aggregate number of Common Units outstanding will be [_____]. Subject to Article 5, the Common Units shall be voting Units, and each Common Unit shall have one (1) vote. Each holder of Common Units may vote such Common Units on all matters where this Agreement expressly requires the approval of the Members or to the extent required by non-waivable provisions of applicable law. The Company has the authority to issue an unlimited number of Common Units.

(c) *Convertible Notes*. The ownership by a Member of 2032 Convertible Notes shall entitle such Member to the rights set forth in this Agreement, including the right to Distributions of cash and other property as set forth in Article 4 and Article 12 hereof, and subject the Member holding such 2032 Convertible Notes to the applicable terms and conditions of this Agreement. Subject to Article 5, each holder of 2032 Convertible Notes may vote on all matters where this Agreement expressly requires the approval of the Members or to the extent required by non-waivable provisions of applicable law on an as-converted to Common Units basis (rounded down to the nearest whole number) as of the applicable record date.

(d) *Schedule of Members*. The Company shall maintain a current schedule of all Members at all times setting forth the name and address of each Member, the class, number and type of Units (and/or 2032 Convertible Notes and other Equity Securities, if applicable) held

[4] **Note to Draft**: To be determined based on finalization of structure / sequence of transaction implementation steps.

by each Member (as the same may be amended, modified or supplemented from time to time, the "**Schedule of Members**"), a copy of which as of the Effective Date is attached hereto as Exhibit A. The Board is hereby authorized to update the Schedule of Members as it may determine to be necessary from time to time, including to reflect additional Capital Contributions made by any Member, and such updates shall not be deemed to be amendments to this Agreement. The Company may, in its discretion, in lieu of providing each Member with a complete version of the Schedule of Members, elect to provide any Member with a redacted or partial version of the Schedule of Members containing only such information as the Company determines appropriate under the circumstances; *provided* that any such redacted or partial version of the Schedule of Members shall contain at least such Member's Units (and/or 2032 Convertible Notes (in principal amount) and other Equity Securities, as applicable) and the total number of Units (and/or 2032 Convertible Notes (in principal amount) and other Equity Securities, as applicable) then issued and outstanding.

(e) *Issuance of Units*. Subject to Section 5.04(d)(i) and Section 6.06, the Board shall have the right to cause the Company to issue such additional Units of the Company as approved by the Board (including creating new classes or series of Units having such powers, designations, preferences and rights as may be approved by the Board. Subject to Section 5.04(d)(i), the Board shall determine the consideration payable to the Company in connection with the issuance of any Units (if any). The Company shall not issue any Units to any Person unless such Person has executed and delivered to the secretary of the Company the documents described in Section 10.02. The Board is hereby authorized to provide for the issuance of such Units by amending this Agreement to reflect such issuance and to establish the Units to be included in each such class or series, and to fix the relative rights, obligations, preferences and limitations of such Units.

(f) *Representations and Warranties of Members*. Each Member, severally and not jointly, and solely as to itself, hereby represents and warrants to the Company and each other Member and acknowledges, in each case, as of the Effective Date (or, in the case of a Person admitted as a member of the Company after the Effective Date pursuant to Article 10, on the date that such Person is admitted as a Member), that:

(i) Such Member has all necessary capacity, power and authority, as applicable, to enter into this Agreement and each other agreement and instrument contemplated hereby to which such Member is a party, to carry out its obligations hereunder and thereunder, and that the execution and delivery by such Member of this Agreement and each other agreement and instrument contemplated hereby to which such Member is a party and the performance by such Member of its obligations hereunder and thereunder have been duly authorized by all necessary action on the part of such Member. This Agreement and each other agreement and instrument contemplated hereby to which such Member is a party has been duly executed and delivered by such Member, and (assuming due authorization, execution and delivery by the other parties hereto and thereto) constitutes a legal, valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by

general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(ii) The execution, delivery and performance by such Member of this Agreement and each other agreement and instrument contemplated hereby to which such Member is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not (with or without notice or lapse of time, or both): (A) result in a violation or breach of any provision of the governing documents of such Member; (B) result in a violation or breach of any provision of any law or governmental order applicable to such Member; or (C) result in a violation or breach of or constitute a default under any agreement to which such Member is a party, except where the violation, breach, conflict, or default would not have a material adverse effect on such Member's ability to consummate the transactions contemplated hereby. No consent, approval, permit, governmental order, declaration or filing with, or notice to, any Governmental Entity is required by or with respect to such Member in connection with the execution and delivery of this Agreement and each other agreement and instrument contemplated hereby to which such Member is a party and the consummation of the transactions contemplated hereby and thereby, other than such consents, approvals, permits, governmental orders, declarations, filings or notices the failure of which to make or obtain would not have a material adverse effect on such Member's ability to consummate the transactions contemplated hereby.

(iii) The Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) acquired by (or to be acquired by) such Member are solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof. Such Member understands that the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) acquired or to be acquired by such Member have not been, and will not be, registered under the Securities Act or any state securities laws, and that, subject to the other restrictions in this Agreement, the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, such member cannot sell and must hold such Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) indefinitely unless they are registered with the United States Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Such Member is able to bear the economic risk of holding the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) for an indefinite period (including total loss of its investment), and has sufficient knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed investment decision with respect thereto.

(iv) Such Member has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) with the Company's management and has reviewed and evaluated all information it deemed necessary to

assess the merits and risks of his, her or its investment in the Company and has had answered to its satisfaction any and all questions regarding such information.

(v) Such Member is an "accredited investor" (as such term is used in Regulation D of the Securities Act), or is an employee of the Company or one of its Subsidiaries and has acquired Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) in an exempt offering pursuant to Rule 701 of the Securities Act.

(vi) Except as set forth in this Agreement, each Member acknowledges and agrees that (A) neither the Company nor any other Member has made or is hereby making (or shall be deemed to have made) any representation or warranty as to the U.S. federal, state or local or non-U.S. tax consequences to such Member as a result of such Member's acquisition of the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) and (B) it shall be responsible for its own tax liability that may arise as a result of such Member's ownership of the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable).

(vii) Each Member agrees to provide such information and execute and deliver such documents with respect to itself and its direct and indirect beneficial owners as the Board may from time to time reasonable request in writing to (A) verify the accuracy of such Member's representations and warranties herein, (B) establish the identity of such Member and the direct and indirect participants in its investment in the Units (and/or 2032 Convertible Notes and other Equity Securities, as applicable) and/or (C) comply with any law to which the Company may be subject, including, without limitation, compliance with anti-money laundering laws.

(g) *Bankruptcy Code Compliance*. The Company shall not issue non-voting equity securities; provided, however, that the foregoing restriction shall (i) have no further force and effect beyond that required under Section 1123(a)(6) of Chapter 11 of Title 11 of the Bankruptcy Code, (ii) only have such force and effect for so long as Section 1123 of the Bankruptcy Code is in effect and applicable to the Company, and (iii) in all events may be amended or eliminated in accordance with applicable law as from time to time may be in effect. The prohibition on the issuance of non-voting equity securities is included in this Agreement in compliance with Section 1123(a)(6) of the Bankruptcy Code (11 U.S.C. § 1123(a)(6)).

Section 3.02. *Capital Contributions*.

(a) Each Member named on the Schedule of Members attached hereto as Exhibit A has made (or is deemed to have made) Capital Contributions in the amounts and on the dates specified in the books and records of the Company and each such Member owns the number of Units (and/or 2032 Convertible Notes (in principal amount) and other Equity Securities, as applicable) specified opposite its name on the Schedule of Members.

(b) No Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in

compliance with Section 5.04(d)(i) and Section 6.06. No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member.[5]

ARTICLE 4
DISTRIBUTIONS

Section 4.01. *Distributions*.

(a) No Member shall be entitled to receive any dividend or other distribution from the Company (each, a "**Distribution**") except as provided in this Agreement. Subject to Section 5.09(d)(ii), Distributions (whether interim distributions or distributions on liquidation) shall be made in the amount determined by the Board, subject to the terms of this Agreement and the restrictions set forth in the Delaware Act. All Distributions shall be made to the Members *pro rata* in accordance with the number of Common Units and 2032 Convertible Notes (on an as-converted to Common Units basis, subject to adjustment pursuant to the terms thereof) held by the Members.

(b) Notwithstanding anything to the contrary herein, the net proceeds from a Sale of the Company that are payable to holders of Units and 2032 Convertible Notes shall be allocated and paid as Distributions pursuant to the provisions of Section 4.01(a).

Section 4.02. *Distributions In-Kind*. To the extent that the Company distributes property in-kind to the Members, the Company shall be treated as making a distribution equal to the Fair Market Value of such property for purposes of Section 4.01.

Section 4.03. *Withholding*. Notwithstanding any other provision of this Agreement, the Company and the Board are authorized to take all actions that they determine in their discretion to be necessary or appropriate to comply with, and to cause the Company to comply with, any federal, state, local or foreign withholding or other tax payment obligation under applicable law with respect to any payment or distribution to, or otherwise with respect to, any Member or other Person. All taxes or amounts withheld from or paid in respect of any Member or former Member shall be treated for all purposes of this Agreement as having been paid to such Member or former Member.

ARTICLE 5
MANAGEMENT

Section 5.01. *Authority of Board*.

(a) *Authority*. A board of managers of the Company (the "**Board**") is hereby established and shall be comprised of natural Persons (each such Person, a "**Manager**") who shall be appointed in accordance with the provisions of this Article 5. Except as otherwise expressly provided in this Agreement, the business and affairs of the Company shall be

[5] **Note to Draft**: Cash hoarding provisions to be included.

managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full and complete power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company. The Managers shall constitute "managers" within the meaning of the Delaware Act; *provided* that no Manager shall have the authority to individually exercise its powers as a "manager" under the Delaware Act unless expressly authorized pursuant to the terms of this Agreement or by the Board. No Member, by virtue of such Member's status as such, shall have any management power over the business and affairs of the Company or actual or apparent authority to enter into, execute or deliver contracts on behalf of, or to otherwise bind, the Company.

(b) *Reliance by Third Parties*. Any Person dealing with the Company may rely on the authority of the Board (or any Officer authorized by the Board) in taking any action in the name of the Company without inquiry into the provisions of this Agreement or compliance herewith, regardless of whether that action actually is taken in accordance with the provisions of this Agreement. Every agreement, instrument or document executed by the Board (or any Officer authorized by the Board) in the name of the Company with respect to any business or property of the Company shall be conclusive evidence in favor of any Person relying thereon or claiming thereunder that (i) at the time of the execution or delivery thereof, this Agreement was in full force and effect, (ii) such agreement, instrument or document was duly executed according to this Agreement and is binding upon the Company and (iii) the Board (or any Officer authorized by the Board) was duly authorized and empowered to execute and deliver such agreement, instrument or document for and on behalf of the Company.

Section 5.02. *Composition of the Board*.

(a) *Number of Managers and Initial Managers*. The Board shall initially be comprised of nine (9) Managers and the number of Managers constituting the Board shall be increased or decreased from time to time in accordance with (x) the terms of this Agreement and (y) by resolution approved by the Members in accordance with Section 5.09(d)(i). As of the Effective Date:

(i) four (4) Managers shall be designated by the PIMCO Member (each, a "**PIMCO Manager**"), who shall initially be [_____], [_____], [_____] and [_____];

(ii) two (2) Managers shall be designated by the SP Member (each, a "**SP Manager**"), who shall initially be [_____] and [_____];

(iii) two Managers that are Independent (each, an "**Independent Manager**") shall be designated jointly by the PIMCO Member and the SP Member (for so long as such Member has an Undiluted Ownership Percentage equal to or greater than 15%), who shall initially be [_____] and [_____]; and

(iv) the individual serving as the Chief Executive Officer of the Company shall be a Manager for so long as such Person is employed as such (the "**CEO Manager**"); *provided* that if, at any time, the individual serving as Chief Executive Officer of the Company ceases to be the Chief Executive Officer of the Company, the successor Chief Executive Officer of the Company shall be designated to fill the seat on the Board held by the prior CEO Manager.

(b) After the Effective Date, if at any time, the Undiluted Ownership Percentage of a Member and its Affiliates, collectively, is:

(i) greater than 50%, such Member(s) shall have the collective right to designate four (4) Managers;

(ii) equal to or less than 50% but greater than or equal to 40%, such Member(s) shall have the collective right to designate three (3) Managers;

(iii) less than 40% but greater than or equal to 30%, such Member(s) shall have the collective right to designate two (2) Managers;

(iv) less than 30% but greater than or equal to 15%, such Member(s) shall have the collective right to designate one (1) Manager; and

(v) less than 15%, such Member(s) shall not have the right to designate any Managers.

(c) *Affiliated Managers*. Any Manager appointed by the PIMCO Member or the SP Member may be an Affiliated Manager; *provided* that the number of Affiliated Managers appointed by the SP Member at any given time cannot be greater than the number of Affiliated Managers appointed by the PIMCO Member at such time. One or more Managers shall be automatically removed and the vacancies so created shall be filled pursuant to Section 5.02(h) to give effect to the foregoing.

(d) *Designation Rights*. For the avoidance of doubt, the Manager designation rights (the "**Designation Rights**") of the Members pursuant to Section 5.02(a) and Section 5.02(b) (and the related rights pursuant to Section 5.02(g) and Section 5.02(h) in the case of removal and vacancies) are contractual rights of the applicable Members, and are not subject to any vote of any other Members; *provided* that if a Member entitled to Designation Rights seeks to Transfer any or all of its Common Units in accordance with the terms of this Agreement, such Designation Rights shall only Transfer to the Transferee (x) upon the election of such Transferor Member and (y) only to the extent the Transferee acquires an Undiluted Ownership Percentage that equals or exceeds the applicable thresholds forth in Section 5.02(b). In the event that a Member is no longer entitled to its Designation Right (or is entitled to appoint a lesser number of Managers pursuant to its Designation Right), such Member shall promptly cause the Manager or Managers, as applicable, appointed to the Board pursuant to such Designation Right to promptly resign from the Board (and, if such Manager(s) do not resign, they may be removed by the other Members of the Board) and, thereafter, the vacancy or vacancies on the Board so created will be filled as set forth in Section 5.02(h). The Company shall also be entitled to request from time to time as determined by the Company that the Members

provide to the Company reasonably satisfactory evidence of its then-present ownership of Units in order to verify the applicable rights of the PIMCO Member and the SP Member, respectively, pursuant to this Section 5.02.

(e) *Chairman of the Board*. For so long as the Undiluted Ownership Percentage of the PIMCO Member is at least 25% (and no other Member (together with its Affiliates) has a greater Undiluted Ownership Percentage), the PIMCO Member shall have the right to designate one of the PIMCO Managers to be the Chairman of the Board (the "**Chairman**"), and otherwise, the Chairman shall be appointed by a majority of the Managers. The Chairman shall preside over all meetings of the Board and have such other responsibilities as are determined by the Board from time to time.

(f) *Term*. Each Manager shall serve until his or her resignation, death, disability or removal. A person shall become a Manager effective on receipt by the Company of a written notice (or at such later time or on the happening of some other event specified in such notice) of such person's appointment from the Member that has the right to designate such Manager.

(g) *Removal; Resignation*.

(i) The CEO Manager shall automatically be removed from the Board at such time as the CEO Manager is terminated or resigns from, or otherwise ceases to hold, his or her position as Chief Executive Officer of the Company.

(ii) Any other Manager (other than an Independent Manager) may be removed or replaced at any time from the Board, with or without cause, upon, and only upon, the written request of (A) in the case of a Manager appointed to the Board pursuant to a Designation Right, the Member that has the right to designate such Manager pursuant to this Section 5.02 (*provided* that such Member continues to have such Designation Right at the time of such removal) or (B) in the case of (x) a Manager (other than an Independent Manager) appointed to the Board pursuant to the vote of the holders of a majority of the issued and outstanding Common Units or (y) a Manager (other than an Independent Manager) appointed to the Board pursuant to a Designation Right if, at the time of such removal, the Member which designated such Manager to the Board pursuant to a Designation Right is no longer entitled to such Designation Right pursuant to Section 5.02(d), holders of a majority of the then-issued and outstanding Common Units.

(iii) An Independent Manager may only be removed for Cause by a majority of the other Managers or by mutual written agreement of the PIMCO Member and the SP Member.

(iv) A Manager may resign at any time from the Board by delivering his or her written resignation to the Board. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event. The Board's acceptance of a resignation shall not be necessary to make it effective.

(h) *Vacancy*. In the event that a vacancy is created on the Board at any time due to the death, disability, retirement, resignation or removal of any Manager (including a removal

pursuant to a reduction in a Member's Designation Right pursuant to Section 5.02(b) and Section 5.02(d)), if the vacancy results from the death, disability, retirement, resignation or removal of (i) the CEO Manager, then the successor Chief Executive Officer of the Company shall automatically be appointed to the Board, (ii) a Manager or Managers appointed by a Member pursuant to a Designation Right and such Member continues to have such Designation Right at the time such vacancy is created, the Member or Members that have the right to designate such Manager or Managers pursuant to this Section 5.02 shall have the exclusive right to designate an individual to fill such vacancy and the Company and each Member hereby agrees to take such actions as may be required to ensure the election or appointment of such designee to fill such vacancy on the Board; *provided* that if, at the time of such vacancy, such Member no longer has such Designation Right, the vacancy on the Board shall be filled by an individual elected to the Board by the vote of the holders of a majority of the then-issued and outstanding Common Units in accordance with the terms of this Agreement and (iii) an Independent Manager, the vacancy shall be filled by mutual written agreement of the PIMCO Member and the SP Member so long as such Member continues to have a Designation Right; *provided* that, if the PIMCO Member and the SP Member cannot agree on such appointment within 90 days after the creation of the vacancy, each of the PIMCO Member and the SP Member shall propose two individuals to serve as Independent Manager and the remaining Independent Manager (or if there is none, the CEO Manager) shall select the individual to serve as the new Independent Manager from the individuals so proposed (and such Independent Manager shall select the second Independent Manager, as applicable). If either the PIMCO Member or the SP Member no longer has a Designation Right, a vacancy that results from the death, disability, retirement or removal of an Independent Manager shall be filled by the vote of a majority of the then-issued and outstanding Common Units in accordance with the terms of this Agreement.

(i) *Reimbursement; Compensation*. The Managers shall not receive from the Company any reimbursement or compensation for managing the affairs of the Company, except (i) Independent Managers may receive market compensation from the Company in such amounts approved by the Board (excluding the vote of each Independent Manager), and (ii) the Managers shall be reimbursed by the Company for all reasonable and documented out-of-pocket costs, expenses, disbursements and advances incurred by such Managers in connection with their position as Manager, as applicable, including such costs, expenses, disbursements and advances incurred in connection with attending meetings of the Board or meetings of any special or standing committee of the Board; *provided*, that, in each case, any reimbursed expenses are properly substantiated by such Manager.

(j) *Observers*. Each of the PIMCO Member and the SP Member shall have the right to appoint one non-voting observer to the Board (a "**Board Observer**") so long as such Member either (x) continues to have a Designation Right or (y) has an Undiluted Ownership Percentage of 10% or more. A Board Observer (i) will have the right to participate as a non-voting observer in each Board meeting and (ii) may be replaced at any time by the Member that designated such Board Observer. The Company will use commercially reasonably efforts to ensure that a Board Observer receives the following, with all related documents and other attachments submitted to the Board: (A) notices of Board meetings; (B) draft minutes of Board meetings submitted to Board members for

approval; (C) final, approved minutes of Board meetings; (D) written consents submitted to Board members for signature; (E) notices sent to Board members describing any other Board actions; and (F) all other materials provided to the Board; *provided*, that the Company reserves the right to withhold any information and to exclude such Board Observers from any meeting or portion thereof if access to such information or attendance at such meeting would reasonably be expected to adversely affect the attorney-client privilege between the Company and its counsel or would result in a conflict of interest; *provided*, *further*, that the failure to provide any notices or other documentation to a Board Observer shall not in any way affect the ability of the Board to take any action or the legitimacy of any action taken by the Board. Once a Member ceases to meet the applicable Undiluted Ownership Percentage threshold set forth in this Section 5.02(j), such Member shall lose any rights pursuant to this Section 5.02(j) until such time, if any, that such Member later meets or exceeds such Undiluted Ownership Percentage.

(k) *Subsidiary Boards*. Each Member that has a Designation Right shall be entitled to designate a proportionate number of individuals to any board of directors (or equivalent governing body) of any Subsidiary of the Company, unless otherwise agreed by such Member or as otherwise required by law.

(l) *Confidentiality Agreements*. Each Manager and Board Observer shall enter into a customary non-disclosure and confidentiality agreement with the Company with confidentiality obligations at least as restrictive as those set forth in this Agreement.

Section 5.03. *Meetings*.

(a) *Generally*. The Board shall hold regular meetings at such time and at such place as the Board may designate. Special meetings of the Board may be called at any time by the Chairman or any two (2) or more Managers. Meetings of the Board may be held either in person or by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the State of Delaware) as may be determined from time to time by the Board. Unless waived by all of the Managers then in office in writing (before, during or after the meeting) or with respect to any Manager at such meeting, written notice of each meeting of the Board shall be given to each Manager at least 48 hours prior to each such meeting or, in the case of an emergency or exigent circumstances, as soon as reasonably practicable.

(b) *Attendance and Waiver of Notice*. Attendance of a Manager at any meeting shall constitute a waiver of notice of such meeting by such Manager, except where the Manager attends the meeting for the express purpose of objecting at the beginning thereof to the transaction of any business because the meeting is not properly noticed, called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 5.04. *Quorum; Manner of Acting*.

(a) *Quorum*. No action may be taken by the Board unless a quorum is present. Managers constituting a Board Majority (present either in person or by proxy) shall constitute a quorum for the transaction of business of the Board; *provided*, that for so long as the PIMCO Member and the SP Member are entitled to Designation Rights pursuant to Section 5.02(a), such majority shall include at least one PIMCO Manager and one SP Manager; *provided*, *further* that for purposes of taking any action with respect to an Affiliate Transaction, a quorum shall be deemed to be present if a majority of the Managers (excluding any Manager appointed by a Member that is, or whose Affiliate is, a party to such Affiliate Transaction) are present (either in person or by proxy). If the applicable quorum shall not be present at any meeting of the Board, then the Managers present at the meeting may adjourn the meeting to a time no earlier than 48 hours after written notice (including by electronic mail) of such adjournment has been given to the Managers and any Managers not present at the original meeting shall not be required for the purposes of establishing quorum at such adjourned meeting.

(b) *Participation*. Any Manager may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of electronic transmission or as otherwise permitted by applicable law.

(c) *Voting; Binding Act*. Each Manager shall be entitled to cast one vote with respect to decisions made by the Board; *provided*, however, that each (x) PIMCO Manager shall have the proxy of each other PIMCO Manager not present at any meeting of the Board so that the entire vote of the PIMCO Managers may be taken by the PIMCO Manager(s) actually present at a given meeting and (y) SP Manager shall have the proxy of each other SP Manager not present at any meeting of the Board so that the entire vote of the SP Managers may be taken by the SP Manager(s) actually present at a given meeting. Except as otherwise specified in this Agreement, the act of a Board Majority shall be the act of the Board.

(d) *Matters Requiring Board Approval*. Without limiting the generality of Section 5.01, all actions taken or proposed to be taken by the Company and its Subsidiaries ((i) except for (x) any matters properly delegated to a Board committee pursuant to Section 5.06 and (y) any matters properly delegated to Officers pursuant to Section 5.08(a) and (ii) subject to any approval of the Members pursuant to Section 5.09(d) and Section 5.09(e) or otherwise in this Agreement) shall require the approval of the Board by a Board Majority, including:

(i) (A) the issuance, sale, redemption, purchase or other acquisition of, or (B) the conversion, exchange, cancellation or retiring of, any Equity Securities or any warrants, options or other rights to purchase, substitute for or acquire any Equity Securities or securities convertible into or exchangeable for any Equity Securities, including any issuance of Equity Securities in connection with the Management Incentive Plan, except for (x) issuances of capital stock upon exercise of stock options previously granted pursuant to the Management Incentive Plan and in accordance with this Agreement, (y)

issuances or redemptions between wholly-owned Subsidiaries of the Company or between the Company and a wholly-owned Subsidiary of the Company or (z) any redemptions, repurchase or other acquisition of Equity Securities issued under the Management Incentive Plan or any officer, director, manager, employee or service provider compensation arrangements approved by the Board; *provided* that the issuance, sale, redemption, purchase or other acquisition of Equity Securities (1) in an amount less than or equal to $225 million in the aggregate shall also require the consent of either (x) the PIMCO Member and the SP Member or (y) at least one Independent Manager and (2) in an amount greater than $225 million in the aggregate shall also require the consent of the PIMCO Member and the SP Member;

(ii) the (A) creation, incurrence, assumption or guarantee of any indebtedness for borrowed money or (B) entry into or adoption of any material modifications to any existing indebtedness for borrowed money; *provided* that, the creation, incurrence, assumption or guarantee of any indebtedness for borrowed money (1) at an All-In Yield equal to or less than SOFR *plus* 700 basis points shall also require the consent of either (x) the PIMCO Member and the SP Member or (y) at least one Independent Manager, (2) at an All-In Yield of greater than SOFR *plus* 700 basis points shall also require the consent of the PIMCO Member and the SP Member (except as otherwise set forth in clause (3) below) and (3) that is issued for Emergency Purposes in an amount less than $100 million and at an All-In Yield between SOFR *plus* 700 basis points and SOFR *plus* 900 basis points shall also require the consent of either (x) the PIMCO Member and the SP Member or (y) both Independent Managers;

(iii) the entry into, amendment, modification (including by waiver) or termination of any Affiliate Transaction; *provided* that (A) any Manager Affiliated with or designated to the Board by the counterparty to such Affiliate Transaction, or otherwise having a material interest in the Affiliate Transaction that is unique as compared to the interests of Members in general, shall not be entitled to vote for purposes of such approval (and shall not be accounted for in determining a majority), (B) the consent of the PIMCO Member and the SP Member shall also be required (except where clause (A) applies to the PIMCO Member and/or the SP Member, as applicable) and (C) that no such approval shall be required for (x) the acquisition of Offered Securities pursuant to Section 6.06 or (y) except as set forth below in Section 5.04(d)(iv), compensation or benefits arrangements entered into in the ordinary course of business;

(iv) the hiring of, determination of compensation, benefits, perquisites and other incentives for, or termination, of the Chief Executive Officer of the Company; *provided* that such approval shall also include the approval of the PIMCO Member and the SP Member; *provided further*, that if the PIMCO Member and the SP Member do not agree on the applicable proposal within 60 days after such proposal is first presented to the Board, the proposal may be approved by a Board Majority including the consent of at least one Independent Manager;

(v) without limiting Section 5.04(d)(iv) in respect of any grants to the Chief Executive Officer, approving any grants under the Management Incentive Plan;

(vi) entry by the Company or any of its Subsidiaries into any new line of business or any material change to the nature of the Company's or its Subsidiaries' existing business; *provided* that any such approval shall also include the approval of either (A) the PIMCO Member and the SP Member or (B) at least one Independent Manager; *provided, further*, in the case of this clause (B) that the Board is given at least 60 days prior notice of the applicable proposal to allow Silver Point to present such proposal to the Board;

(vii) enter into or effect any transaction or series of related transactions involving the purchase, exchange or other acquisition or divestiture (including by merger, consolidation, acquisition of Equity Securities, acquisition of assets or joint venture) by the Company or its Subsidiaries, of any assets and/or Equity Securities (an "**M&A Transaction**") the gross cash proceeds of which exceed $300 million in the aggregate; *provided* that any such approval shall also include the approval of either (A) the PIMCO Member and the SP Member or (B) at least one Independent Manager; *provided, further*, in the case of this clause (B) that the Board is given at least 30 days prior notice of the applicable M&A Transaction and the material terms of such M&A Transaction to allow Silver Point to present such proposed M&A Transaction to the Board. If the proposed terms of the M&A Transaction are not reasonably similar to the terms presented to the Board, a new 30-day notice period shall be required in connection with the approval contemplated by clause (B) above;

(viii) purchase, lease, in-license or otherwise acquire any inventory outside the ordinary course of business in an amount exceeding $150 million over any consecutive three-month period; *provided* that any such approval shall also include the approval of either (A) the PIMCO Member and the SP Member or (B) at least one Independent Manager; *provided, further*, in the case of this clause (B) that the Board is given at least 30 days prior notice of the applicable proposal to allow Silver Point to present such proposal to the Board and the information provided to the Board in connection with such proposal identifies the amount of inventory purchased outside the ordinary course for the preceding three months and a good faith projection of inventory to be purchased outside the ordinary course for the subsequent three months;

(ix) the declaration of any dividend on, or the making of any distribution with respect to, any Equity Securities of the Company or any of its Subsidiaries;

(x) other than in connection with the consummation of a Drag-Along Sale or an IPO, converting the Company into another form of entity, whether by merger, conversion, restructuring or otherwise;

(xi) adoption of, or amendment or modification to, any compensation plan, incentive plan or employee benefits plan (including, without limitation, any Management Incentive Plan (including any award agreement thereunder));

(xii) the selection or removal of the Company's principal auditors; and

(xiii) settlement of any litigation not covered by insurance with a settlement amount in excess of $1,000,000 in any settlement or series of related settlements, or initiating any material litigation.

(e) *Action by Written Consent*. Any action of the Board (or any committee of the Board) may be taken without a meeting if a written consent of the requisite Managers to approve such action (and the Members, if applicable) shall approve such action. Notice of the taking of such action without a meeting by less than unanimous written consent of the Board shall be given by the Company, as soon as reasonably practicable following such action, to those Managers who have not consented in writing to such action.

Section 5.05. *No Employment*. This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to employment or continued employment by the Company, and nothing herein should be construed to have created any employment agreement, or contract for employment on any particular terms, with any Manager.

Section 5.06. *Committees*. The Board may, by the affirmative vote of a Board Majority, designate one or more Board committees, each of which shall be comprised of (a) Managers appointed by each Member with a Designation Right (proportionate to such Member's designated Managers on the Board) and (b) such other Managers as determined by Board Majority. Any such committee, to the extent provided in the resolution forming such committee and not inconsistent with this Agreement or the Delaware Act, shall have and may exercise the authority of the Board. A majority of all the members of any such Board committee may determine its action and fix the time and place, if any, of its meetings and specify what notice thereof, if any, shall be given, unless the Board shall otherwise provide. The Board may at any time dissolve any committee or remove any member of a committee at any time.

Section 5.07. *Limitation of Liability*.

(a) *Waiver of Liability*. Except as otherwise expressly provided herein or in any written agreement entered into by such Person and the Company, and to the maximum extent permitted by the Delaware Act (or, in the case of the CEO Manager, the DGCL as contemplated by Section 5.07(b)), no present or former Manager or any of his or her respective Affiliates, agents or representatives shall be liable to the Company or to any Member for any act or omission performed or omitted by such Person in his or her capacity as a Manager; *provided* that, except as otherwise provided herein, such limitation of liability shall not apply to the extent the act or omission was attributable to such Person's fraud or bad faith as determined by a final judgment, order or decree of an arbitrator or a court of competent jurisdiction (which is not appealable or with respect to which the time for appeal therefrom has expired and no appeal has been perfected). Each Manager shall be entitled to rely upon the advice of legal counsel, independent public accountants and other experts, including financial advisors, and any act of or failure to act by such Manager in good faith reliance on such advice shall in no event subject such Person or any of such Person's Affiliates, employees, agents or representatives to liability to the Company or any Member.

(b) *Fiduciary Duties of Members or Managers*. To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement or applicable provisions of law or equity or otherwise, and without limitation of the terms set forth in Section 14.01 hereof, no current or former Member or Manager appointed pursuant to a Designation Right (other than an Independent Manager designated pursuant to Section 5.02(a)(iii)) (solely in his or her capacity as such), shall (i) be deemed to have any fiduciary or other duties (including any duty of care or duty of loyalty or a duty to refrain from engaging in any line of business or to offer opportunities to the Company) to the Company or any Member or any other Person, or (ii) be obligated to do or perform any act or thing in connection with the Company and its Subsidiaries not expressly set forth in this Agreement, and to the fullest extent permitted by law, the Company and the Members hereby agree not to make or threaten to make (and hereby irrevocably and unconditionally waive), and shall cause their Affiliates not to make or threaten to make (and, if requested, shall cause their Affiliates to irrevocably and unconditionally waive), any claim or bring any action, suit or other Proceeding or take any similar action, in each case alleging that any Member or Manager shall have breached any fiduciary or other duty to the Company or any Member or any other Person (including any claim that such Member or Manager aided or abetted a breach of fiduciary duty by any other Person). Without limiting the foregoing, the provisions of this Agreement, to the extent that they restrict the duties (including fiduciary duties) and liabilities of any Member or Manager otherwise existing at law or in equity, are agreed by the parties hereto to replace (or eliminate) such other duties and liabilities of such Persons, to the maximum extent permitted by applicable law. The CEO Manager, Independent Managers and any other Manager not appointed pursuant to a Designation Right (solely in his or her capacity as such) shall owe to the Members fiduciary duties of the type owed by directors of a corporation to the stockholders of such corporation under the DGCL; *provided*, however, no such Manager shall have any personal liability for breach of fiduciary duty unless arising from such Manager's breach of the duties of loyalty or due care or acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law. This provision shall not limit any other duties imposed upon any Person by a separate written agreement with the Company or any of its Subsidiaries.

(c) *Fiduciary Duties of Officers*. Each Officer of the Company (including, for the avoidance of doubt, the Chief Executive Officer of the Company), in the performance of his or her duties as such, shall owe to the Members fiduciary duties of the type owed by the Officers of a corporation to the stockholders of such corporation under the DGCL; *provided*, however, no Officer shall have any personal liability for breach of fiduciary duty unless arising from such Officer's breach of the duties of loyalty or due care or acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law. Notwithstanding the foregoing, in connection with the consideration by each Manager of any matter that comes before the Board, such Manager shall be permitted to take into account only the interests of the Member that appointed such Manager and all other duties (fiduciary or otherwise) are waived to the maximum extent permitted by law including the Delaware Act, except that each Manager shall act in accordance with the implied covenant of good faith and fair dealing and (to the extent expressly specified herein) the covenants and express obligations set forth in this Agreement.

Section 5.08. *Officers*.

(a) *Designation and Appointment*. The Board shall appoint a Chief Executive Officer of the Company (who, pursuant to Section 5.02(a) shall simultaneously serve as a Manager) and the Board may (but need not), from time to time, designate and appoint one or more persons as other officers of the Company (each, an "**Officer**" and collectively, the "**Officers**"). No Officer need be a resident of the State of Delaware, a Member or a Manager. Any Officers so designated shall have such authority and perform such duties as the Board may, from time to time, delegate to them. The Board may assign titles to particular officers. Unless the Board otherwise decides, if the title is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such Officer of the authority and duties that are normally associated with that office. Each Officer shall hold office until such Officer's successor shall be duly designated and shall qualify or until such Officer's death or until such Officer shall resign or shall have been removed in the manner hereinafter provided. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the Officers of the Company shall be fixed from time to time by the Board.

(b) *Resignation; Removal; Vacancies*. Any Officer (subject to any contract rights available to the Company, if applicable) may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any Officer may be removed as such, either with or without cause, at any time by the Board in its discretion; *provided*, *however*, that such removal shall be without prejudice to the contract rights, if any, of the individual so removed. Designation of an Officer shall not of itself create contract rights. Any vacancy occurring in any office of the Company may be filled by the Board and shall remain vacant until filled by the Board.

Section 5.09. *Member Meetings*.

(a) *Location; Quorum; Voting; Record Dates; Notices*. To the extent a meeting of the Members or a class of Members ("**Member Meeting**") is required by non-waivable applicable law or this Agreement, Member Meetings shall be held at the principal office of the Company or at such other place within or without the State of Delaware specified in the notice or waivers of notice thereof and shall be during normal business hours. Except where this Agreement expressly requires the consent of the Requisite Members (in which case the presence (including by proxy) of the Requisite Members shall constitute a quorum), the presence of Members holding a majority of the outstanding Common Units or represented by proxy shall constitute a quorum at any Member Meeting. Members may vote by a written proxy executed and delivered to a Manager or the secretary of the Company. A proxy shall be revocable unless it is stated to be irrevocable. The Board may set in advance a date for determining the Members entitled to notice of and to vote at any meeting. All record dates shall be not more than 60 days prior to the date of the meeting to which such record date relates. Member Meetings may be called, and notices of meetings may be given, at any time and for any reason by the Board, in its discretion. Notice of Member Meetings shall be given not less than five (5)

nor more than 60 days prior to the meeting to each Member. Notice may be waived by the Members. Any such notice shall state briefly the purpose, time and place of the meeting. Members may participate in a Member Meeting by means of conference telephone, video conference or similar communications equipment by means of which all participants in the meeting can hear and speak to each other, and such participation in a meeting shall constitute presence at the meeting.

(b) *Waiver of Notice*. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except where such Member attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) *Action by Written Consent*. Any action required or permitted to be taken at a particular Member Meeting may be taken without a meeting, without notice and without a vote if a consent in writing setting forth the action so taken is signed by Members holding a number of outstanding Common Units and 2032 Convertible Notes (on an as-converted to Common Units basis, subject to adjustment pursuant to the terms thereof) required to take such action under Section 5.09 or any other express provision of this Agreement requiring approval by the Members.

(d) *Matters to be Approved by Requisite Members*. Notwithstanding anything in this Agreement to the contrary, the following actions by the Company or any of its Subsidiaries shall require the affirmative vote of the Requisite Members:

(i) any increase or decrease to the size of the Board;

(ii) making or declaring any dividend or distribution other than dividends and distributions made *pro rata* based on the number of issued and outstanding Units;

(iii) any reclassification, redemption or repurchase of Units, 2032 Convertible Notes or other Equity Securities (other than from terminated employees as determined by the Board); and

(iv) any amendment, restatement, waiver or modification of this Section 5.09(d), Section 5.09(e) or Section 6.06.

(e) *Sale of the Company*. The following consent shall be required in connection with any Sale of the Company, including a Drag-Along Sale:

(i) For any a Sale of the Company (including a Drag-Along Sale) that is to be consummated within 30 months after the Effective Date, the consent of a Board Majority, the PIMCO Member and the SP Member shall be required.

(ii) For any Sale of the Company (including a Drag-Along sale) that is to be consummated between 30 months and 48 months after the Effective Date:

(A) if such transaction will result either or both of the PIMCO Member and the SP Member realizing Net Transaction Proceeds in an amount less than such Member's aggregate

Capital Contributions *plus* interest thereon at the Weighted Average T-Bill Rate for the applicable period, compounded quarterly, the consent of a Board Majority, the PIMCO Member and the SP Member shall be required;

(B) if such transaction will result in each of the PIMCO Member and the SP Member realizing Net Transaction Proceeds in an amount equal to or greater than such Member's aggregate Capital Contributions *plus* interest thereon at 8.5% compounded quarterly, the consent of a Board Majority, including at least one Independent Manager, shall be required; and

(C) any other transaction not meeting the requirements of clause (A) or (B) above shall require the consent of a Board Majority and each Independent Manager.

(iii) For any Sale of the Company (including any Drag-Along Sale) to be consummated more than 48 months after the Effective Date, such transaction shall require the consent of a Board Majority and the consent of either (A) the PIMCO Member and the SP Member or (B) at least one Independent Manager.

Notwithstanding anything in this Section 5.09(e) to the contrary, no Member shall have any approval right over any Sale of the Company (including any Drag-Along Sale) if, and for so long as, such Member's Undiluted Ownership Percentage is less than 25%.

ARTICLE 6
RIGHTS AND OBLIGATIONS OF MEMBERS

Section 6.01. *Limitation of Liability*. Except as otherwise provided in the Delaware Act, by applicable law or expressly in this Agreement, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member, Manager or other Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member, Manager or Covered Person. Except as otherwise provided in this Agreement, a Member's liability (in its capacity as such) for debts, liabilities and Losses of the Company shall be such Member's share of the Company's assets; *provided* that a Member shall be required to return to the Company any Distribution made to it in clear and manifest accounting or similar error. The immediately preceding sentence shall constitute a compromise to which all Members have consented within the meaning of the Delaware Act. Notwithstanding anything contained herein to the contrary, the failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business and affairs under this Agreement or the Delaware Act shall not be grounds for imposing personal liability on the Members or any member of the Board for liabilities of the Company, except to the extent constituting fraud, gross negligence or willful misconduct by such Members.

Section 6.02. *Lack of Authority*. Except as expressly permitted pursuant to this Agreement, no Member in his, hers or its capacity as such has the authority or power to act for or on behalf of the Company in any manner or way, to bind the Company, or do

any act that would be (or could be construed as) binding on the Company, in any manner or way, or to make any expenditures on behalf of the Company, unless such specific authority has been expressly granted to and not revoked from such Member by the Board, and the Members hereby consent to the exercise by the Board of the powers conferred on it by law and this Agreement.

Section 6.03. *No Right of Partition*. No Member shall have the right to seek or obtain partition by court decree or operation of law of any property of the Company, or the right to own or use particular or individual assets of the Company.

Section 6.04. *Indemnification*. (a) *Generally*. To the fullest extent permitted by the Delaware Act (or, in the case of any Officer or Manager that is not subject to the first sentence of Section 5.07(b)), to the fullest extent permitted by the DGCL), the Company agrees, and shall cause each of its Subsidiaries to agree, that, subject only to the limitations and conditions in this Section 6.04 and those imposed by the Delaware Act, each Covered Person who was or is made a party or is threatened to be made a party to or is reasonable likely to become involved in any threatened, pending or completed claim, action, suit, audit, investigation, charge, or other proceeding, whether civil, criminal, administrative, or arbitrative (a "**Proceeding**"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, in each case arising out of or in connection with any act or omission or alleged act or omission, performed or omitted to be performed by such Covered Person in connection with or in any way related to the business or operation of the Company or any of its Subsidiaries, or by reason of the fact that he or she, or a Person of whom he or she is the legal representative, is or was a Covered Person, shall be indemnified by the Company and its Subsidiaries to the fullest extent permitted by the Delaware Act or other applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company or the applicable Subsidiary to provide broader indemnification rights than said law permitted the Company or the applicable Subsidiary to provide prior to such amendment) against judgments, losses, damages, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including attorneys' fees) (collectively, "**Losses**") incurred by such Covered Person in connection with such Proceeding, and indemnification under this Section 6.04 (or otherwise) shall continue as to a Covered Person who has ceased to serve in the capacity which initially entitled such Covered Person to such indemnity and shall inure to the benefit of the heirs, executors and administrators of such a Covered Person; *provided*, that (x) such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful, and (y) such Covered Person's conduct did not constitute fraud, gross negligence or willful misconduct, in either case as determined by a final, nonappealable order of a court of competent jurisdiction. In connection with the foregoing, the termination of any Proceeding or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith or, with respect to any criminal proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful, or that the Covered Person's conduct constituted fraud, gross negligence or willful misconduct. The rights granted pursuant to

this Section 6.04 shall be deemed contract rights, and no amendment, modification or repeal of this Section 6.04 shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Section 6.04 could involve indemnification for negligence or under theories of strict liability. Notwithstanding the foregoing, unless the Board shall otherwise determine, no indemnification shall be available to any Person otherwise entitled to indemnification hereunder in respect of (i) any Proceeding commenced by such Covered Person against the Company or any Subsidiary thereof or any Member or any Affiliate thereof, or by the Company or any Subsidiary thereof against such Covered Person or any Affiliate thereof, or (ii) if the Covered Person otherwise entitled to indemnification hereunder shall settle or compromise (or otherwise take any similar action) with respect to any Proceeding or other matter otherwise subject to indemnification hereunder unless the Company shall have provided its prior written consent thereto, which consent shall not be unreasonably withheld, conditioned or delayed, it being agreed that such Covered Person shall not have the right to settle or compromise (or take any similar action) any such Proceeding or other matter without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. In respect of any matter subject to indemnification hereunder, the Covered Person entitled to indemnification hereunder shall advise the Company of the existence thereof promptly after becoming aware thereof, and thereafter, the Company shall have the right, upon written notice to such Covered Person, to assume the control of the defense thereof.

(b) *Advance Payment*. Reasonable expenses incurred by a Covered Person of the type entitled to be indemnified under this Section 6.04 who was, is or is threatened to be made, a named defendant or respondent in a Proceeding (other than a Proceeding brought by the Company or any Subsidiary thereof against such Covered Person or by such Covered Person against the Company, any Subsidiary thereof, any Member or any Affiliate thereof) shall, unless otherwise determined by the Board in the specific circumstance (*provided* that the Board shall have no such discretion in the case of a current or former Member or Manager), be paid by the Company in advance of the final disposition of the Proceeding upon receipt of a written undertaking by or on behalf of such Covered Person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Company. The advancement of expenses under this Section 6.04 shall continue as to a Covered Person who has ceased to serve in the capacity which initially entitled such Covered Person to such advancement of expenses and shall inure to the benefit of the heirs, executors and administrators of such a Person.

(c) *Nonexclusivity of Rights*. The right to indemnification and the advancement of expenses conferred in this Section 6.04 shall not be exclusive of any other right which any Covered Person may have or hereafter acquire under any statute, agreement, law, vote of the Board or otherwise.

(d) *Insurance*. To the extent available on commercially reasonable terms, the Company shall purchase, at its expense, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged

breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; *provided*, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage (other than as contemplated by Section 6.04(f)), then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(e) *Limitation*. Notwithstanding anything contained herein to the contrary (including in this Section 6.04), any indemnity by the Company relating to the matters covered in this Section 6.04 shall be provided out of and to the extent of the Company's assets only, and no Member (unless such Member otherwise agrees in writing or is found in a final decision by a court of competent jurisdiction to have personal liability on account thereof) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity of the Company (except as expressly provided herein).

(f) *Priority*. The Company hereby acknowledges that a Covered Person may have certain rights to indemnification, advancement of expenses and/or insurance provided by Affiliates or other Persons with which the Covered Person has a business relationship (collectively, the "**Other Indemnitors**"). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to each Covered Person are primary and any obligation of the Other Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Covered Person are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by the Covered Person and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement, without regard to any rights such Covered Person may have against the Other Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Other Indemnitors from any and all claims against the Other Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Other Indemnitors on behalf of the Covered Person with respect to any claim for which such Covered Person has sought indemnification from the Company shall affect the foregoing and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Covered Person against the Company. The provisions of this Section 6.04(f) are for the benefit of each of the Other Indemnitors and their respective successors and assigns and all of such Persons are intended third-party beneficiaries of this Section 6.04(f) and shall be entitled to enforce this Section 6.04(f) directly.

(g) *Savings Clause*. If this Section 6.04 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person indemnified pursuant to this Section

6.04 to the fullest extent permitted by any applicable portion of this Section 6.04 that shall not have been invalidated and to the fullest extent permitted by applicable law.

Section 6.05. *Confidentiality*. Each Member recognizes and acknowledges that it has and may in the future receive certain Confidential Information, including any trade secrets, of the Company and its Subsidiaries and other Persons with which the Company and its Subsidiaries do business, and that such Confidential Information constitutes valuable, special and unique property of the Company and its Subsidiaries. Except as permitted pursuant to a written consent provided by the Company, each Member agrees, for so long as such Member is a member of the Company and for two years after such Member no longer holds any Units or other Equity Securities of the Company, not to disclose or use for his, her or its own account or the account of any other Person (other than the Company or any Subsidiary thereof) any Confidential Information; *provided*, that the foregoing shall not restrict the Member from (a) using the Confidential Information on behalf of the Company or any Subsidiary thereof in the course of such Member's duties or to enforce rights granted to such Member pursuant to this Agreement; (b) disclosing Confidential Information to an Affiliate, equityholder, director, officer, manager, designated Manager or Board Observer, employee, attorney, advisor or other representative of a Member so long as such Person is not a Company Competitor and such Person is bound by confidentiality obligations no less restrictive than those set forth in this Section 6.05; *provided*, *further*, that such Member will be responsible for any violation of this Section 6.05 by any such Person as if such Person were party hereto; (c) disclosing Confidential Information to a potential Transferee where such Transfer is permitted hereunder; *provided* that (i) except as permitted hereunder, the potential Transferee is not a Company Competitor, (ii) the potential Transferee and the Company have executed a nondisclosure agreement reasonably acceptable to the Company, and (iii) such disclosure of Confidential Information is only to the extent required to facilitate such potential Transfer; (d) disclosing Confidential Information solely to the extent requested or required by subpoena, interrogatory, request for information or documents, deposition, civil investigative demand, legal process or other legal requirement or Governmental Entity to disclose any of the Confidential Information, in which event the Member shall notify the Company as promptly as is practicable (if not legally prohibited from doing so) and shall provide reasonable cooperation so that the Company may seek a protective order or other appropriate remedy (at its sole cost and expense) and/or waive compliance with the provisions herein; *provided*, *further*, that if in the absence of a protective order or other remedy or the receipt of a waiver from the Company, the Member is nonetheless, based on the advice of its counsel, legally compelled to disclose Confidential Information, such Member shall be permitted to furnish only that portion of the Confidential Information which such counsel advises is legally required, (e) disclosing or reporting Confidential Information to such Member's (or any of its Permitted Transferees') current or prospective limited partners or other equity investors ("**Investors**") in connection with such Member's (or any of its Permitted Transferees') customary and bona fide reporting, marketing and fundraising activities; *provided* that the Investors are instructed to comply with the confidentiality restrictions of this Section 6.05; *provided*, *further*, that such Member or its Permitted Transferee, as applicable, will be responsible for any breach or violation of this Section 6.05 by any of its Investors as if such Investor was a party hereto; (f) to any actual or potential lender of such Member

whom such Member shall instruct to observe the terms of this Section 6.05; or (g) using for any purpose (but not disclosing) the residuals resulting from access to the Confidential Information; *provided* that such Member shall not disclose the Confidential Information except as expressly permitted hereunder. The term "**residuals**" means information in intangible form, which is retained in the memory of Members who have had access to the Confidential Information (including ideas, concepts, know-how or techniques contained therein) and that such Member can demonstrate is indistinguishable from general industry knowledge; *provided*, in all cases, such Member did not intentionally memorize such information or retain notes or other aids to retain such memory. Each Member acknowledges and agrees that all notes, records, reports, sketches, plans, unpublished memoranda or other documents, whether in paper or electronic form (and copies thereof), held by such Member concerning any information relating to the Company's business, whether confidential or not, are the property of the Company and will be promptly returned or destroyed (at the request of the Company) upon the termination of any Member's ownership of Units, provided that such Member may retain, in a secure location, (i) Confidential Information for its files as required by its respective bona fide internal record retention policies or to comply with applicable law, rule or regulation or (ii) the Confidential Information automatically maintained on routine computer system backup tapes, disks or other electronic storage devices in the ordinary course of operation to the extent such Confidential Information cannot practicably be expunged after exercising commercially reasonable efforts; *provided further* that (x) the Member's personnel whose functions are not primarily information technology, legal or regulatory compliance in nature do not access such retained copies, (y) the Member's personnel whose functions are primarily information technology, legal or regulatory compliance in nature access such copies only as reasonably necessary for the performance of their information technology, legal or regulatory compliance duties (e.g., for purposes of system recovery), and (z) notwithstanding any other provision in this Agreement, the Member shall continue to be bound by this Section 6.05 while in continued possession of Confidential Information. Each Member further understands that the Company and its Subsidiaries will receive from third parties confidential or proprietary information ("**Third Party Information**") subject to a duty on the Company's and its Subsidiaries' part to maintain the confidentiality of such information and to use it only for certain limited purposes. Each Member will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel of the Company or its Subsidiaries who need to know such information as required by their work for the Company or its Subsidiaries) or use Third Party Information unless expressly authorized by the Board in writing. Notwithstanding anything to the contrary in this Agreement, no former employee of the Company or any of its Subsidiaries (or any Member in which such person has an interest) shall have the right to receive any Confidential Information (and no Member shall provide any such Person any Confidential Information) except as otherwise required by applicable law, rule, regulation or judicial order. Each Member understands that nothing herein is intended to or shall prevent such Member from communicating directly with, cooperating with, or providing information to any Governmental Entity.

Section 6.06. *Preemptive Rights*.

(a) Except for any Business Issuance or the issuance of Equity Securities in connection with an IPO, in the event the Company or its Subsidiaries proposes to issue and sell any Preemptive Rights Securities (collectively, the "**Offered Securities**"), in each case, prior to an IPO or Sale of the Company, the Company shall provide written notice (a "**Preemptive Rights Notice**") thereof to each Qualified Preemptive Member at least 15 Business Days prior to the estimated date of such issuance of such Offered Securities (and in the case of Offered Securities that are Debt Instruments, before such Debt Instrument is offered to any third party) setting forth the amount of funds sought to be raised, the proposed price and other principal terms thereof, such Qualified Preemptive Member's Preemptive Percentage Interest of such Offered Securities, and the period of time within which the Preemptive Right must be exercised, which shall be no less than 15 Business Days from receipt of the Preemptive Rights Notice (the "**Exercise Period**").

(b) Subject to this Section 6.06, each Qualified Preemptive Member shall have the right (the "**Preemptive Right**"), exercisable as hereinafter provided, to purchase, or cause one of its Affiliates or Permitted Transferees to purchase, up to its Preemptive Percentage Interest of such Offered Securities, such purchase to be at the same price and on the same terms and conditions as described in the Preemptive Rights Notice. Prior to the expiration of the Exercise Period, each Qualified Preemptive Member shall have the right to elect irrevocably to purchase all or any portion of its Preemptive Percentage Interest of any such Offered Securities at the respective purchase price set forth in the Preemptive Rights Notice by delivering a written notice to the Company (an "**Acceptance Notice**") specifying the number or amount of Offered Securities such Qualified Preemptive Member wishes to purchase (in such capacity, a "**Participating Preemptive Member**"). The delivery of an Acceptance Notice by a Participating Preemptive Member shall be a binding and irrevocable offer by such Participating Preemptive Member to purchase the Offered Securities described therein. The failure of a Qualified Preemptive Member to deliver an Acceptance Notice by the end of the Exercise Period shall constitute a waiver of its rights under this Section 6.06 with respect to the purchase of such Offered Securities proposed to be issued, but shall not affect its rights with respect to any future issuances or sales of additional Offered Securities. At the expiration of the Exercise Period, the Company shall promptly notify each Participating Preemptive Member that has elected to purchase its full Preemptive Percentage Interest of such Offered Securities initially available to such Participating Preemptive Member (each, a "**Fully Electing Member**") of any other Qualified Preemptive Member's failure to do likewise, and each such Fully Electing Member shall have the right, exercisable for a period of ten (10) Business Days upon receipt of such notice from the Company (the "**Second Exercise Period**") to purchase up to its *pro rata* portion of the Offered Securities that were not subscribed for by the other Qualified Preemptive Members, which *pro rata* portion is equal to, with respect to each Fully Electing Member, the quotient determined by dividing (x) the number of Units held by such Fully Electing Member by (y) the number of Units held by all Fully Electing Members. If there are any Offered Securities which have not been subscribed for upon the expiration of the Second Exercise Period, the Company shall, in accordance with the procedure outlined in the immediately preceding sentence, reoffer such Offered Securities to any Participating Preemptive Member that has elected to purchase its *pro rata* portion of the Offered Securities offered during the Second Exercise Period in accordance with the immediately preceding sentence until all

Offered Securities have been purchased or no Participating Preemptive Member elects to further exercise its rights.

(c) Following the expiration of the Exercise Period or the Second Exercise Period, as applicable, the Company shall be free to complete the proposed issuance or sale of the Offered Securities described in the Preemptive Rights Notice with respect to which Qualified Preemptive Members declined to exercise the pre-emptive right set forth in this Section 6.06 on terms no less favorable to the Company than those set forth in the Preemptive Rights Notice (except that the amount of additional Offered Securities to be issued or sold by the Company may be reduced); *provided*, that: (i) such issuance or sale is closed within 180 days after the expiration of the Exercise Period; and (ii) for the avoidance of doubt, the price at which the Offered Securities are sold is at least equal to or higher than the purchase price described in the Preemptive Rights Notice. In the event the Company has not sold such Offered Securities within such time period, the Company shall not thereafter issue or sell any Offered Securities without first again offering such securities to the Qualified Preemptive Members in accordance with the procedures set forth in this Section 6.06.

(d) Following the expiration of the Exercise Period or the Second Exercise Period, as applicable, the Company and each Qualified Preemptive Member shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including, entering into such additional agreements as may be necessary or appropriate.

(e) Notwithstanding the notice requirements of this Section 6.06, the Company may proceed with an issuance of Offered Securities that would otherwise be subject to this Section 6.06 prior to having complied with the provisions of this Section 6.06 if (i) the Board has determined in good faith that effecting such issuance prior to having complied with such provisions is reasonably necessary and in the best interest of the Company, and (ii) within 30 Business Days after completing any such issuance, the Company gives the Members who were Qualified Preemptive Members prior to such issuance the retroactive opportunity to acquire the Offered Securities on terms that give effect, in all material respects, to the ability that each such Qualified Preemptive Member would otherwise have had to acquire a portion of such Offered Securities pursuant to its rights set forth in this Section 6.06 (a "**Retroactive Preemptive Issuance**"). In the event of a Retroactive Preemptive Issuance pursuant to this Section 6.06(e), the Company shall provide to each Qualified Preemptive Member who would have been entitled to receive a Preemptive Rights Notice in connection with such issuance (i) notice of such Retroactive Preemptive Issuance and (ii) the Preemptive Rights Notice described in Section 6.06(a), and permit each such Qualified Preemptive Member to exercise its participation rights under this Section 6.06 to participate in such Retroactive Preemptive Issuance at any time during the Exercise Period (which, for purposes of this Section 6.06(e), shall be deemed to commence as of the date of delivery of the Preemptive Rights Notice for such Retroactive Preemptive Issuance).

(f) A Qualified Preemptive Member may assign its Preemptive Right to any Affiliate or Permitted Transferee of such Qualified Preemptive Member (whether or not a Member) that agrees to be bound by the provisions of this Agreement applicable to the Qualified

Preemptive Member by executing a joinder to this Agreement, in customary form reasonably acceptable to the Company.

ARTICLE 7
BOOKS, RECORDS, ACCOUNTING AND REPORTS; INSPECTION

Section 7.01. *Records and Accounting*. The Company shall keep, or cause to be kept, at the principal office of the Company (or such other place determined by the Board) appropriate books and records with respect to the Company's business, including all books and records necessary to provide any information, lists and copies of documents required to be provided pursuant to Section 7.02 or pursuant to applicable laws. All matters concerning (a) the determination of the relative amount of allocations and distributions among the Members pursuant to Article 4 and (b) accounting procedures and determinations, and other determinations not specifically and expressly provided for by the terms of this Agreement, shall be determined by the Board, whose determination shall be final and conclusive as to all of the Members absent manifest clerical error. Except as provided in Section 7.03 or as consented to by the Board, no Member shall have the right to access any of the Company's books or records. In addition, the Board may redact any schedule to this Agreement that discloses the names of Members or the Capital Contributions or other information with respect thereto if the Board determines such action to be necessary.

Section 7.02. *Information Rights*. Prior to an IPO or Sale of the Company, and subject to the confidentiality obligations of Section 6.05 of this Agreement, the Company shall, subject to any redactions to preserve Confidential Information, attorney-client privilege or similar privilege of the Company that the Company may deem necessary, deliver or caused to be delivered to each Member:

(a) within (x) 120 days after the end of the Fiscal Year ending December 31, 2024 and (y) 90 days after the end of each Fiscal Year thereafter, (i) a copy of the audited consolidated balance sheet of the Company and its Subsidiaries as of the end of such Fiscal Year and the related audited consolidated statements of income and cash flows for such Fiscal Year, in each case, in accordance with GAAP and (ii) management's discussion and analysis of the material operational and financial developments during such Fiscal Year;

(b) within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year (commencing with the Fiscal Quarter ending [__ _____], 2024), (i) a copy of the unaudited consolidated balance sheet of the Company and its Subsidiaries as of the end of such Fiscal Quarter and the related unaudited consolidated statements of income and cash flows for such Fiscal Quarter and the portion of the Fiscal Year through the end of such Fiscal Quarter, in each case, in accordance with GAAP (subject to normal year-end audited adjustment and the lack of complete footnotes) and (ii) management's discussion and analysis of the material operational and financial developments during such Fiscal Quarter;

(c) within 30 days after the end of each calendar month (commencing with the calendar month ending [__ _____], 2024), a financial reporting package (including the month-

end "flash" numbers for the month just ended), containing a summary of the previous month's financial results of operations;

(d) whether or not the Company is subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, within five (5) Business Days from the occurrence of the relevant event, information substantially similar to the information that would have been required to be reported on a Current Report on Form 8-K if the Company were subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, under any of the following items of Form 8-K: Item 1.01 (Entry into a Material Definitive Agreement), Item 1.02 (Termination of a Material Definitive Agreement), Item 1.03 (Bankruptcy or Receivership), 2.01 (Completion of Acquisitions or Dispositions of Assets), Item 2.03 (Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant), Item 2.04 (Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement), Item 4.01 (Changes in Registrant's Certifying Accountant), Item 4.02 (Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review), Item 5.02 (Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers) (but in this case only as it relates to the appointment or departure of any Manager or the Chief Executive Officer or Chief Financial Officer of the Company); *provided* that (i) the Company may omit from such disclosure any terms of such event if the Company determines in its good faith judgment that disclosure of such terms would otherwise cause material competitive harm to the business, assets, operations, financial position or prospects of the Company and its Subsidiaries, taken as a whole (except that such non-disclosure shall be limited only to those specific provisions that would cause material competitive harm and not the occurrence of the event itself), and (ii) no such disclosure will be required to include a summary of the terms of, any employment or compensatory arrangement agreement, plan or understanding between the Company (or any of its Subsidiaries) and any director, manager or executive officer, of the Company (or any of its Subsidiaries); and

(e) a quarterly "earnings call" which shall take place as promptly as reasonably practicable after the distribution of the financial statements for the applicable quarter, which shall include a reasonable opportunity for questions from Members; *provided*, that the Company shall provide the date and dial-in information for such call and post such information to the Secured Site at least three (3) days prior to such call.

With respect to the items in this Section 7.02, (x) the Company shall provide, or provide access to, such information to all such Members entitled to receive such information pursuant to this Section 7.02 at the same time and (y) all such Members must agree to be bound by a customary confidentially agreement in a form reasonably acceptable to the Board (which may, at the Company's election, be on a "click-through" basis) before accessing such information.

Section 7.03. *Access to Books and Records*. The Company will provide, or cause to be provided, to each Member (together with their Related Persons) (and in each case, other than a Company Competitor), upon a written request by such Member and at the sole

expense of such Member, reasonable access during normal business hours to the books and records, financial and operating data and such other information of the Company and its Subsidiaries as may reasonably be requested. Any such Member that receives any information pursuant to the foregoing sentence shall be deemed to be in receipt of material non-public information and agrees to be restricted until such information is publicly announced or cleansed or deemed to be stale, as reasonably determined by the Company.

Section 7.04. *Information to Prospective Purchasers*.

(a) A Member (including an Initiating Transferor or a Drag-Along Seller) may provide the information provided pursuant to Section 7.02 or any other Confidential Information to any *bona fide* prospective purchasers (other than Company Competitors (except in the case of a Drag-Along Sale)) as follows: the Member will give notice (or cause notice to be delivered) to the Company of the proposed transferees and the Company will then send to the prospective purchaser by e-mail or other electronic communication a link to a website or other portal from which the applicable information and a copy of this Agreement may be accessed subject to (i) the execution by the prospective purchaser and the Company of a customary non-disclosure agreement in favor of the Company in a form reasonably acceptable to the Board (which may, at the Company's election, be on a "click-through" basis) and (ii) an acknowledgement in writing (which may, at the Company's election, be on a "click-through" basis) from such prospective purchaser that such prospective purchaser has received a copy of this Agreement and acknowledges that such prospective purchaser will be bound by the terms and conditions of this Agreement as a Member if such prospective purchaser acquires any Units whether or not it executes a joinder to this Agreement.

(b) The Board may authorize the Company to make such information available as the Board approves to one or more Members and Related Persons as determined by the Board, and the fact that information was not provided to any such Member and Related Persons will not entitle the other Members to the same information.

(c) Upon the request of the PIMCO Member or the SP Member from time to time, the Company shall make available in the Secured Site all information that would constitute material non-public information that has been provided by the Company to such Member or their respective representatives and that is not otherwise in the Secured Site or publicly available.

Section 7.05. *Member Information*. Each Member shall provide such information as to such Member or any Affiliate thereof as the Company may reasonably request from time to time, as may reasonably be required for the Company or any Subsidiary to comply with applicable law, rule or regulation, to prepare financial information or to file any tax returns. The Company shall use commercially reasonable efforts to maintain the confidentiality of such information. Notwithstanding anything to the contrary, the Members acknowledge and agree that, if required by applicable law, rule, or regulation, the Company may disclose information relating to the Members or their Affiliates to third parties, including in any filing made by the Company or any Subsidiary thereof with any

Governmental Entity, including the Securities and Exchange Commission or any state level equivalent thereof.

Section 7.06. *Access to Information*. The Company may satisfy its obligations under this Article 7 by providing each Member access to a confidential website such as Intralinks or Firmex and timely posting such information on such website (which website shall have a system of email notification of new postings, the "**Secured Site**").

ARTICLE 8
TAX MATTERS

Section 8.01. *Tax Classification*.

(a) The Company and the Members intend that the Company be treated as a corporation for U.S. federal, and, as applicable, state and local, income tax purposes since formation, and neither the Company nor any of the Members shall take any position inconsistent with such treatment.

(b) The Company shall file an election on Internal Revenue Service Form 8832 to elected to be treated as a corporation for U.S. federal income tax purposes since formation and any similar forms to elect to be treated as a corporation for applicable state and local income tax purposes, and the Company and the Members are authorized to take any and all actions in connection therewith.

ARTICLE 9
TRANSFER OF UNITS

Section 9.01. *Transfers of Interests; Restrictions on Transfers*.

(a) *Transfers to Competitors.* No Member shall Transfer Units (or any interest therein) or 2032 Convertible Notes to a Company Competitor, unless (i) such transfer is in connection with a Sale of the Company or Drag-Along Sale or (ii) is approved by a Board Majority.

(b) *Restrictions to Maintain Private Company Status.* Until the Company otherwise becomes obligated to file reports under Section 13 or Section 15(d) of the Exchange Act or upon receipt of prior written approval from the Board, no Member shall Transfer any Units, 2032 Convertible Notes and/or any other Equity Securities to any other Person to the extent such Transfer would cause the Company to have, including as a result of passage of time and giving *pro forma* effect to the exercise or conversion of all Equity Securities, in excess of (i) 1,950 Holders of Record (or 450 or more Holders of Record who are not Accredited Investors), calculated in accordance with Section 12(g) of the Exchange Act (or 50 fewer than such other numbers of Holders of Record or holders as may subsequently be set forth in Section 12(g), or any successor provision, from time to time of the Exchange Act, as the minimum number of Holders of Record or holders for a class of capital stock or equity interests to be required to be registered under Section 12 of the Exchange Act) or (ii) 250 Holders of Record, calculated in accordance with Section 15(d)

of the Exchange Act (or 50 fewer than such other numbers of holders as may subsequently be set forth in Section 15(d), or any successor provision, from time to time of the Exchange Act, as the minimum number of Holders of Record or holders for a class of capital stock or equity interests to require reporting under Section 15(d) of the Exchange Act). The Company and any transfer or other applicable agent for the Units, 2032 Convertible Notes and/or any other Equity Securities shall be entitled to enforce this provision (including by denying any requested Transfer thereof). The Company and any transfer agent for the Units, 2032 Convertible Notes and/or any other Equity Securities shall determine the number of Holders of Record from time to time in consultation with Company counsel in order to give full effect to the restriction set forth in this Section 9.01(b). For the avoidance of doubt, any Member may Transfer any or all of its Units (or shares of PublicCo) in any public offering without complying with this Section 9.01(b).

(c) *Book Entry Holdings*. The initial ownership of Members holding at least the Minimum Holding of Outstanding Units as of the Effective Date will be recorded in a register maintained by the Company's transfer agent (collectively, the "**Registered Holders**"), and all such Registered Holders shall execute and be bound by this Agreement; *provided* that each such Registered Holder shall, in accordance with the Chapter 11 Plan, be deemed to be a party to this Agreement, in privity of contract with the other parties to this Agreement and be bound hereby even if such Registered Holder does not execute a counterpart signature page to this Agreement, and shall hold all of its initial and after-acquired Units (including Common Units acquired upon exercise of the 2032 Convertible Notes or other Equity Securities) in such register; and *further provided* that, in accordance with the Chapter 11 Plan, any failure by a Registered Holder to execute this Agreement prior to the Effective Date shall not affect the right of such Registered Holder to receive distributions of Common Units or 2032 Convertible Notes on or after the Effective Date, but shall not relieve such Registered Holder of the requirement hereunder to execute this Agreement. No purported Transfer of Units, 2032 Convertible Notes or other Equity Securities by any Registered Holder to any other Person that is not a Member shall be effective unless and until such Person has delivered to the Company an executed joinder or counterpart to this Agreement, in form and substance acceptable to the Board, pursuant to which such Person agrees to be bound by the terms and conditions of this Agreement as if an original party hereto (including any Person deemed to be a party hereto pursuant to the Chapter 11 Plan). Subject to applicable law, any attempted Transfer of Units, 2032 Convertible Notes or other Equity Securities not in compliance with the foregoing terms shall be null and void, and neither the Company nor any transfer or other applicable agent for any Units, 2032 Convertible Notes or other Equity Securities shall be required to record such Transfer on its books and records or otherwise in any way give effect to any such impermissible Transfer.

(d) *DTC Holdings*. Any holders of Units, 2032 Convertible Notes or other Equity Securities that are not Registered Holders shall receive (in connection with the distributions of Common Units or 2032 Convertible Notes on or after the Effective Date, or otherwise) and hold all of their Units, 2032 Convertible Notes or other Equity Securities, as applicable (including any after-acquired Units, 2032 Convertible Notes or other Equity Securities (including any such securities purchased from a Registered Holder)), through

the facilities of DTC (other than in the case of (i) new securities issued under the Management Incentive Plan that are restricted securities under the Securities Act, and (ii) Common Units issued in respect of 2032 Convertible Notes or other Equity Securities held by Registered Holders, which, in each case, shall be held on the books and records of the transfer or other applicable agent) (such holders, the "**DTC Holders**"). All DTC Holders shall, in accordance with the Chapter 11 Plan, be deemed to be a party to this Agreement as a "beneficial owner", in privity of contract with the other parties to this Agreement and be bound hereby (even if such holder does not execute a signature page to this Agreement), and this Agreement will require each DTC Holder (including any such Person deemed to be a party hereto pursuant to the Chapter 11 Plan or the Confirmation Order) to cause any transferee to execute a joinder or counterpart to this Agreement in connection with a Transfer of Units, 2032 Convertible Notes or other Equity Securities (it being understood that the failure of a transferee to so execute a joinder or counterpart to this Agreement will not invalidate any transfer occurring through DTC but the fact that such transfer occurring through DTC is not invalidated will not relieve the transferor DTC Holder from liability for breach for failing to require the transferee to execute a joinder or counterpart to this Agreement). It is acknowledged and agreed that the fact that a "DTC Holder" is a "beneficial owner" rather than a "record holder" will not diminish its obligations hereunder.

(e) *Other Private Transfers*. Any Units, 2032 Convertible Notes or other Equity Securities Transferred prior to an IPO shall comply with the transfer restrictions contained in Section 9.05, any such Units, 2032 Convertible Notes or other Equity Securities Transferred shall conclusively be deemed thereafter to be Units, 2032 Convertible Notes or other Equity Securities, as applicable, under this Agreement, and each transferee shall be bound by the terms of this Agreement in accordance with Section 9.05.

(f) *Access to Private Datasite*. Any holder of Units, 2032 Convertible Notes or other Equity Securities that has not previously executed a joinder or counterpart to this Agreement shall be required to execute such a joinder or counterpart prior to receiving access to the website or datasite on which information is provided to Members pursuant to this Agreement.

Section 9.02. *Tag-Along Right*.

(a) If at any time prior to either an IPO or a Sale of the Company, one or more Members proposes to Transfer Common Units representing more than 50% of the then-issued and outstanding Common Units to one or more third parties (other than Permitted Transferees) in a single Transfer or a series of Transfers (each a "**Tag-Along Sale**"), the following procedures shall apply:

(i) The Initiating Transferor shall provide, or cause to be provided, to each Member, a written notice (a "**Tag-Along Notice**") of the terms and conditions of such proposed Transfer and offer (the "**Tag-Along Offer**") the opportunity to participate in such Transfer in accordance with this Section 9.02. Each Member (each, a "**Tag-Along Member**") may elect, at their option, to participate in the proposed Tag-Along Sale up to an amount of Common Units equal to (A) the total number of Common Units to be sold

in the Tag-Along Sale multiplied by (B) such Tag-Along Member's Tag-Along Percentage Interest.

(ii) The Tag-Along Notice shall identify (A) the number of Common Units that the Initiating Transferor proposes to Transfer (the "**Tag-Along Interests**"), (B) the consideration for which the Transfer is proposed to be made, (C) the identity and address of the proposed Transferee, (D) the proposed Transfer date; (E) a reasonable estimate and calculation of the proceeds that the Tag-Along Member would be entitled to as a result of the Tag-Along Sale in accordance with this Agreement and (F) all other material terms and conditions of the Tag-Along Sale, including the form of the proposed purchase agreement (as well as any other agreement(s) required to be executed by any such Tag-Along Member) and a firm offer by the proposed Transferee to acquire the Tag-Along Interests from the Initiating Transferor in accordance with this Section 9.02(a).

(iii) From the date of its receipt of the Tag-Along Notice, the Tag-Along Member(s) shall have the right (but not the obligation), exercisable by written notice (the "**Tag-Along Response Notice**") given to the Initiating Transferor within 30 days after the date of the Tag-Along Notice (the "**Tag-Along Notice Period**"), to direct that the Initiating Transferor include in the proposed Tag-Along Sale an amount of Common Units equal to (A) the total number of Common Units to be sold in the Tag-Along Sale multiplied by (B) such Tag-Along Member's Tag-Along Percentage Interest (such Common Units, the "**Participating Interests**"). Any Transfer of Participating Interests pursuant to a Tag-Along Sale shall provide each Tag-Along Member the same amount and form of consideration per Common Unit as proposed to be paid by the proposed Transferee to the Initiating Transferor (including any option to elect between forms of consideration to the same extent as provided to the Initiating Transferor) and shall provide each Tag-Along Member the right, but not the obligation, to rollover in any Sale of the Company, if applicable, in proportion to any rollover by the Initiating Transferor; *provided*, *however*, that no Tag-Along Member shall be required to: (A) make any representations or warranties other than representations and warranties regarding such Tag-Along Member's title to, ownership and conveyance of its Common Units, as well as authorization by, authority of and enforceability against, such Tag-Along Member, (B) provide indemnification (including escrow, hold-back or other similar arrangements to support indemnification) other than on a several (and not joint and several) basis, and in any event not in excess of the amount of net cash proceeds received by such Tag-Along Member as consideration for the sale of its Units pursuant to such Tag-Along Sale or (C) be required to enter into any restrictive covenants, other than customary confidentiality provisions in favor of the proposed Transferee, in connection with a Tag-Along Sale, in each case, without the express written consent of such Member.

(iv) Each Tag-Along Response Notice shall include executed signature page(s) to the proposed purchase (and any related) agreement as well as wire transfer details for payment of the cash portion of the consideration. To the extent any Tag-Along Member is delivering a Tag-Along Response Notice, it shall also deliver an executed form of assignment of its Participating Interests. Delivery of the Tag-Along Response Notice with such assignment shall constitute an irrevocable acceptance of the Tag-Along Offer by such Tag-Along Member.

(v) The Initiating Transferor and the Tag-Along Member(s) shall consummate the sale to the proposed Transferee of the Participating Interests within 180 days from the date of the Tag-Along Notice (the "**Tag-Along Consummation Period**"). The Tag-Along Consummation Period shall be extended if any of the transactions contemplated by the Tag-Along Offer are subject to approval by any Governmental Entity until the expiration of 30 days after all such approvals have been received, if such approvals are not received during the initial Tag-Along Consummation Period; provided that in no event shall the Tag-Along Consummation Period be extended after the date that is 365 days from the date of the Tag-Along Notice.

(vi) If, at the termination of the Tag-Along Notice Period, any Tag-Along Member shall not have elected to participate in the Tag-Along Sale, it shall be deemed to have waived its rights under this Section 9.02(a) with respect to the sale of any Common Units pursuant to such Tag-Along Sale (but not, for the avoidance of doubt, with respect to any future Tag-Along Sale).

(vii) If, at the end of the Tag-Along Consummation Period, the Initiating Transferor has not consummated the Tag-Along Sale on substantially the same terms and conditions set forth in the Tag-Along Notice, it shall (A) destroy or return to any applicable Tag-Along Member its executed signature page(s) (and all copies thereof) together with all assignments representing the Participating Interests that such Tag-Along Member delivered and (B) not conduct any sale of Common Units without again complying with this Section 9.02(a), to the extent applicable.

(viii) Concurrently with the consummation of the Tag-Along Sale, the Initiating Transferor shall (A) notify the Tag-Along Member(s) of such consummation and (B) use commercially reasonable efforts to cause the Transferee in such Tag-Along Sale to remit to such Tag-Along Member(s) the total consideration (including any deferred or escrowed consideration at such later time if and when such deferred or escrowed consideration is released for payment to such Tag-Along Member(s)) for the Participating Interests sold pursuant thereto in accordance with the terms of this Agreement, with the cash portion thereof to be paid by wire transfer of immediately available funds to the bank account designated in the Tag-Along Response Notice.

(ix) Notwithstanding anything to the contrary contained in this Section 9.02(a): (A) there shall be no liability on the part of the Initiating Transferor to the Tag-Along Member(s) (other than the obligation to return or destroy any applicable signature pages and assignments of Participating Interests received by the Initiating Transferor) if the sale of Common Units pursuant to this Section 9.02(a) is not consummated for whatever reason; and (B) the rights and obligations set forth in this Section 9.02(a) shall not apply: (1) in the case of any Transfer to a Permitted Transferee, (2) in the case of a Sale of the Company and (3) in the case of any exercise by a Drag-Along Seller of the rights or obligations set forth in Section 9.03.

(b) In connection with any Tag-Along Sale, the Tag-Along Members may be required to bear their pro rata share of the reasonable and documented out-of-pocket expenditures incurred by the Company or the Initiating Transferor, including expenses incurred in

connection with indemnification for representations made by the Company, in connection with such Tag-Along Sale (based on the proceeds payable to each such Member upon the consummation of the Tag-Along Sale, with the amount of such proceeds to be determined on the terms set forth herein); *provided* that no Member shall be obligated to contribute to such expenditures prior to the consummation of the Tag-Along Sale and no Member shall be obligated to pay more than the consideration actually received by such Member, it being agreed that prior to the consummation of such Tag-Along Sale, such expenditures may be paid by the Company or any Subsidiary thereof.

Section 9.03. *Drag-Along Right*.

(a) Subject to Section 5.09(e), in the event that one or more Members collectively holding more than 50% of the Common Units (in such role, the "**Drag-Along Seller**"), proposes to consummate a Sale of the Company as of the date of the Drag-Along Notice (a "**Drag-Along Sale**"), the Drag-Along Seller shall have the right, after delivering the Drag-Along Notice in accordance with Section 9.03(c) and subject to compliance with Section 9.03(d), to require that each other Member (each, a "**Drag-Along Member**") participate in, and raise no objection to, such sale in the manner set forth in Section 9.03(b). Notwithstanding the foregoing, if any Manager or Member approval is deemed required by applicable law or otherwise, each Member hereby agrees to vote such Member's Units or otherwise cause its Managers to vote in favor of any actions necessary to effectuate the Drag-Along Sale; *provided* that the foregoing shall not apply to the consent rights set forth in Section 5.09(e).

(b) Subject to compliance with Section 9.03(d) and without limiting Section 5.09(e):

(i) if the Drag-Along Sale is structured as a sale resulting in Units being held by an Unaffiliated third party purchaser, then each Drag-Along Member shall sell the number of Units equal to (A) the total number of Units to be sold in the Drag-Along Sale multiplied by (B) such Drag-Along Member's percentage of outstanding Units held within each class of Units;

(ii) if the Drag-Along Sale is structured as a sale of all or substantially all of the consolidated assets of the Company and its Subsidiaries or as a merger, consolidation, recapitalization or reorganization of the Company or other transaction requiring the consent or approval of the Members under applicable law, then notwithstanding anything to the contrary in this Agreement, each Drag-Along Member shall vote in favor of the transaction and otherwise consent to and raise no objection to such transaction, and shall take all actions to waive any dissenters', appraisal or other similar rights that it may have in connection with such transaction; and

(iii) notwithstanding anything to the contrary, no Drag-Along Member shall be required to: (A) make any representations or warranties other than representations and warranties regarding such Drag-Along Member's title to, ownership and conveyance of its Units, as well as authorization by, authority of and enforceability against, such Drag-Along Member, (B) provide indemnification (including escrow, hold-back or other similar arrangements to support indemnification) other than on a several (and not joint and

several) basis in respect of such Drag-Along Member's representations and warranties and on a pro rata basis in respect of representations and warranties of the Company), and in any event not in excess of the amount of net cash proceeds received by such Drag-Along Member as consideration for the sale of its Units pursuant to such Drag-Along Sale or (C) be required to enter into any restrictive covenants, other than customary confidentiality provisions in favor of the proposed Transferee, in connection with a Drag-Along Sale, or customary non-competition and non-solicitation and other restrictive covenants from employees of the Company or any Subsidiary thereof.

(c) The Drag-Along Seller shall exercise its rights pursuant to this Section 9.03 by delivering a written notice (the "**Drag-Along Notice**") to the Company and each Drag-Along Member at least 10 Business Days prior to the anticipated closing date of such Drag-Along Sale. The Drag-Along Notice shall make reference to the Drag-Along Seller's rights and obligations hereunder and shall describe (i) the proposed date, time and location of the closing of the Drag-Along Sale, if known, (ii) the number of each class or series of Units to be sold by the Drag-Along Seller, (iii) the purchase price per Unit of each applicable class or series, and (iv) a summary of the material terms and conditions of the Drag-Along Sale.

(d) The obligations of the Drag-Along Members in respect of a Drag-Along Sale under this Section 9.03 are subject to the satisfaction of the following conditions:

(i) Upon consummation of the Drag-Along Sale, (A) each Drag-Along Member of a given class of Units will receive, or have the option to receive, the same form of consideration for their Units of such class to be received by the Drag-Along Seller, (B) each Drag-Along Member of a given class of Units will receive the same amount of consideration for each Unit of such class as received by the Drag-Along Seller, (C) each Drag-Along Member will receive consideration (or, in the case of deferred or escrowed consideration, such Drag-Along Member will receive such deferred or escrowed consideration at such later time if and when such consideration is released for payment) for its Units in accordance with Section 9.03(e), even if the Drag-Along Sale is structured other than as a sale of Units, and (D) each Drag-Along Member will have the right, but not the obligation, to rollover in any Sale of the Company, if applicable, in proportion to any rollover by the Drag-Along Seller, in each case, subject to any other terms and conditions of such Drag-Along Sale; *provided*, that if such consideration consists in whole or in part of securities that are unregistered and the issuance of such securities to such Member would not satisfy any applicable securities laws, the Drag-Along Seller may elect in its sole discretion to cause to be paid to such Member an amount in cash equal to the Fair Market Value of such securities that would otherwise be issuable to such Member in such Drag-Along Sale in lieu of issuing such securities to such Member.

(ii) Except as provided in Section 9.03(b)(iii), each Drag-Along Member shall execute the applicable purchase agreement, if applicable, and make or provide the same representations, warranties, covenants, indemnities and agreements as the Drag-Along Seller makes or provides in connection with the Drag-Along Sale.

(e) Each Drag-Along Member shall take all actions as may be reasonably necessary to consummate the Drag-Along Sale, including, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Drag-Along Seller. In furtherance of the foregoing, each Drag-Along Member hereby grants to the Drag-Along Seller a power-of-attorney to sign any and all agreements and instruments that are being executed in connection with a Drag-Along Sale pursuant to this Section 9.03 and in accordance with the provisions of Section 9.03(d) on behalf of such Drag-Along Member if and to the extent such Drag-Along Member refuses to sign any and all such agreements and instruments or does not sign such documents within five (5) Business Days of being presented with such documents.

(f) In connection with any Drag-Along Sale, the Members may be required to bear their pro rata share of the reasonable and documented out-of-pocket expenditures incurred by the Company or the Drag-Along Seller, including expenses incurred in connection with indemnification for representations made by the Company, in connection with such Drag-Along Sale (based on the proceeds payable to each such Member upon the consummation of the Drag-Along Sale, with the amount of such proceeds to be determined on the terms set forth herein); *provided* that no Member shall be obligated to contribute to such expenditures prior to the consummation of the Drag-Along Sale and no Member shall be obligated to pay more than the consideration actually received by such Member, it being agreed that prior to the consummation of such Drag-Along Sale, such expenditures may be paid by the Company or any Subsidiary thereof.

(g) The Drag-Along Seller shall, in its sole discretion, decide whether or not to pursue, consummate, postpone or abandon any Drag-Along Sale. Neither the Drag-Along Seller nor any Affiliate of any such Drag-Along Seller shall have any liability to any other Member or the Company arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any Drag-Along Sale except to the extent such Member shall have failed to comply with this Section 9.03.

Section 9.04. *Effect of Transfer*.

(a) *Termination of Rights*. Any Member who shall effect a Transfer of any Units in the Company in accordance with the terms of this Agreement shall cease to be a Member with respect to such Units and shall no longer have any rights or privileges of a Member with respect to such Units; *provided* that such Member shall continue to be liable in respect of any breaches prior to the time of such Transfer. Following the effectiveness of such Transfer in accordance with the terms of this Agreement, the Transferee of such Transferor Member shall have all of the rights and privileges of such Transferor Member provided under this Agreement.

(b) *Deemed Agreement*. Any Person who acquires in any manner whatsoever any Units, 2032 Convertible Notes or other Equity Securities, irrespective of whether such Person has accepted and adopted in writing the terms and provisions of this Agreement, shall be deemed by the acceptance of the benefits of the acquisition thereof to have agreed to be subject to and bound by all of the terms and conditions of this Agreement that any

predecessor in such Units, 2032 Convertible Notes or Equity Securities of such Person was subject to or by which such predecessor was bound.

Section 9.05. *Additional Restrictions on Transfer*.

(a) *Execution of Joinder or Counterpart*. Each Transferee of Units, 2032 Convertible Notes or other Equity Securities shall, as a condition prior to such Transfer, execute and deliver to the Company a joinder or counterpart, in form and substance acceptable to the Board, to this Agreement pursuant to which such Transferee shall agree to be bound by the provisions of this Agreement. Such joinder or counterpart shall include (directly or by incorporation by reference) the representations and warranties set forth in Section 3.01(f) as of the date of Transfer.

(b) *Notice*. In connection with the Transfer of any Units, 2032 Convertible Notes or other Equity Securities in the Company, the holder of such Units, 2032 Convertible Notes or other Equity Securities will deliver written notice to the Company describing in reasonable detail the Transfer or proposed Transfer.

(c) *No Avoidance of Provisions*. Without the consent of the Board, no Member shall directly or indirectly (i) permit the Transfer of all or any portion of the direct or indirect equity or beneficial interest in such Member, including by way of the issuance of new equity or beneficial interest in a Member (or the direct or indirect equityholders of a Member) or (ii) otherwise seek to avoid the provisions of this Agreement by issuing, or permitting the issuance of, any direct or indirect equity or beneficial interest in such Member, in any such case in a manner which would fail to comply with this Article 9 if such Member had Transferred Units, 2032 Convertible Notes or other Equity Securities directly, unless such Member first complies with the terms of this Agreement. Notwithstanding the foregoing, this Section 9.05(c) shall not restrict any Transfer of limited partnership interests or other equity interests in a Member by the limited partners or other equityholders of such Member, so long as such Transfer of limited partnership interests or other equity interests has a bona fide purpose that is unrelated to achieving the indirect Transfer of, and does not have the effect of indirectly Transferring, such Member's Units, 2032 Convertible Notes or other Equity Securities and such Transfer of limited partnership interests or other equity interests is not effectuated to circumvent the general restrictions on Transfers herein.

Section 9.06. *Void Transfers*. Any Transfer by any Member of any Units, 2032 Convertible Notes or other Equity Securities in contravention of this Agreement (including the failure of the Transferee to execute a counterpart to this Agreement) shall be void *ab initio* and ineffectual and shall not bind or be recognized by the Company or any other party. No purported Transferee shall have any right to any Distributions of the Company.

Section 9.07. *No Appraisal Rights*. No Member shall be entitled to any valuation, appraisal or similar rights with respect to such Member's Units, whether individually or as part of any class or group of Members, in the event of a merger, consolidation, Sale of the Company or other transaction involving the Company or its securities unless such

rights are expressly provided by the agreement of merger, agreement of consolidation or other document effectuating such transaction.

ARTICLE 10
ADMISSION OF MEMBERS

Section 10.01. *Substituted Members*. In connection with the Transfer of Units, 2032 Convertible Notes or other Equity Securities of a Member permitted under the terms of this Agreement, the Transferee shall become a Member on the later of (a) the effective date of such Transfer, and (b) the date on which the Board approves such Transferee as a Member, if such approval is required hereunder, and such admission shall be shown on the books and records of the Company.

Section 10.02. *New Members from the Issuance of Units or Other Equity Securities*. In order for a Person to be admitted as a Member of the Company pursuant to the issuance of Units, 2032 Convertible Notes or other Equity Securities to such Person, such Person shall have executed and delivered to the Company a written undertaking in form and substance reasonably acceptable to the Company agreeing to be bound by the terms and conditions of this Agreement. Upon the amendment of the Schedule of Members by the Company and the satisfaction of any other applicable conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Units, , 2032 Convertible Notes or other Equity Securities such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued such Member's Units, 2032 Convertible Notes or other Equity Securities.

ARTICLE 11
WITHDRAWAL AND RESIGNATION OF MEMBERS; REMOVAL

Section 11.01. *Withdrawal and Resignation of Members*. No Member shall have the power or right to withdraw from the Company prior to the dissolution and winding up of the Company pursuant to Article 12, without the prior written consent of the Board (which consent may be withheld by the Board in its sole discretion), except as otherwise expressly permitted by this Agreement. Upon a Transfer of all of a Member's Units, 2032 Convertible Notes and other Equity Securities in a Transfer permitted by this Agreement, such Member shall cease to be a Member and the Schedule of Members shall be updated to reflect the same. Notwithstanding that payment on account of a withdrawal, if any, may be made after the effective time of such withdrawal, any completely withdrawing Member will not be considered a Member for any purpose after the effective time of such complete withdrawal.

ARTICLE 12
DISSOLUTION AND LIQUIDATION

Section 12.01. *Dissolution*. The Company shall not be dissolved by the admission of additional Members or substituted Members. The Company shall dissolve, and its affairs shall be wound up, only upon the first of the following to occur:

(a) the determination of the Members to dissolve the Company in accordance with the Delaware Act;

(b) the Company ceasing to have any Members, unless a Person is admitted as a Member to the Company and the Company is continued without dissolution in accordance with the Delaware Act; or

(c) the entry of a decree of judicial dissolution or an administrative dissolution of the Company under the Delaware Act; *provided* that, notwithstanding anything contained herein to the contrary, no Member shall make an application for the dissolution of the Company pursuant to the Delaware Act without the approval of the Board.

Section 12.02. *Liquidation and Termination*. On the dissolution of the Company upon the occurrence of any of the events described in Section 12.01, the Board shall act as liquidator or may appoint one or more representatives, Members or other Persons as liquidator(s). The liquidators shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Delaware Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidators shall continue to operate the Company properties with all of the power and authority of the Board. The steps to be accomplished by the liquidators are as follows:

(a) The liquidators shall pay, satisfy or discharge from the Company's funds all of the debts, liabilities and obligations of the Company (including all expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidators may reasonably determine).

(b) As promptly as practicable after dissolution, the liquidators shall (i) determine the Fair Market Value (the "**Liquidation FMV**") of the Company's remaining assets (the "**Liquidation Assets**") in accordance with Article 13 hereof, (ii) determine the amounts to be distributed to each Member in accordance with Section 12.02(c), and (iii) deliver to each Member a statement setting forth the Liquidation FMV and the amounts and recipients of such Distributions.

(c) As soon as the Liquidation FMV and the proper amounts of Distributions have been determined in accordance with Section 12.02(b) above, the liquidators shall promptly distribute the Company's Liquidation Assets to the holders of Units in accordance with Section 4.01.

The distribution of cash or property to a Member in accordance with the provisions of this Section 12.02 constitutes a complete return to the Member of its Capital Contributions and a complete distribution to the Member of its interest in the Company and all of the Company's property and constitutes a compromise to which all Members have consented within the meaning of the Delaware Act. To the extent that a Member returns funds to the Company, it has no claim against any other Member for those funds.

Section 12.03. *Cancellation of Certificate*. On completion of the distribution of the Company's assets as provided herein, the Company is terminated (and the Company shall not be terminated prior to such time), and the Board (or such other Person or Persons as the Delaware Act may require or permit) shall file a certificate of cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to this Agreement that are or should be canceled and take such other actions as may be necessary to terminate the Company. The Company shall be deemed to continue in existence for all purposes of this Agreement until it is terminated pursuant to this Section 12.03.

Section 12.04. *Reasonable Time for Winding Up*. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets pursuant to Section 12.02 in order to minimize any losses otherwise attendant upon such winding up.

Section 12.05. *Return of Capital*. The liquidators shall not be personally liable for the return of Capital Contributions or any portion thereof to the Members (it being understood that any such return shall be made solely from the Company's assets).

ARTICLE 13
VALUATION

Section 13.01. *Valuation of Securities and Other Assets*. Subject to Section 13.02, the Fair Market Value of the assets of the Company or of a Unit or any other asset will be determined by the Board (or, if pursuant to Section 12.02, the liquidators) in its good faith judgment in such manner as its deems reasonable and using all factors, information and data deemed to be pertinent.

Section 13.02. *Valuation Methodology*. The "**Fair Market Value**" of (a) a specific asset, means the amount which the Company or other owner thereof would receive in an all-cash sale of such asset (free and clear of all Liens and after payment of all liabilities secured by such asset) in an arm's length transaction with an Unaffiliated third party consummated on the day immediately preceding the date on which the event occurred which necessitated the determination of the Fair Market Value (and after giving effect to any transfer taxes payable in connection with such sale); and (b) the Company, means the amount which the Company would receive in an all-cash sale of all of its assets and businesses as a going concern (free and clear of all Liens and after payment of all indebtedness for borrowed money and other liabilities that would customarily reduce the enterprise value of a business when computing the equity value thereof) in an arm's length transaction with an Unaffiliated third party consummated on the day immediately preceding the date on which the event occurred which necessitated the determination of

the Fair Market Value (assuming that all of the proceeds from such sale were paid directly to the Company other than an amount of such proceeds necessary to pay transfer taxes payable in connection with such sale, which amount will not be received or deemed received by the Company). The determination of Fair Market Value shall be determined in good faith by the Board or by such process as determined by the Board; provided, that for so long as the PIMCO Member or the SP Member has the right to designate a Manager to the Board, such Member may provide written notice of disagreement with any Fair Market Value determination in respect of property to be included in Net Transaction Proceeds (including with respect to the determination of the required consents under Section 5.09(e)) within five (5) Business Days of written notice thereof by the Board, and the determination of Fair Market Value of such property shall be made by an investment banking firm of national standing, mutually selected by the Board and such disagreeing Member, within 30 days after being notified of the selection, and the fees and expenses of such investment banking firm shall be paid by the Company (provided that if the determination of the investment bank is within 10% of the Fair Market Value determined by the Board, then such disagreeing Member shall pay such fees and expenses). After a determination of the Fair Market Value of the Company is made as provided above, the Fair Market Value of a Unit will be determined by making a calculation reflecting the cash distributions which would be made to the Members in accordance with this Agreement in respect of such Unit if the Company were deemed to have received such Fair Market Value in cash and then distributed the same to the Members in accordance with the terms of this Agreement incident to the liquidation of the Company after payment to all of the Company's creditors from such cash receipts other than payments to creditors who hold evidence of indebtedness for borrowed money or liabilities and the payment or satisfaction of which is already reflected in the calculation of the Fair Market Value of the Company. Except as otherwise provided herein or in any agreement, document or instrument contemplated hereby, any amount to be paid under this Agreement by reference to the Fair Market Value shall be paid in full in cash, and any Unit being Transferred in exchange therefor will be Transferred free and clear of all Liens.

ARTICLE 14
GENERAL PROVISIONS

Section 14.01. *Opportunities and No Interlocking Directors/Information Sharing Restrictions*.

(a) Notwithstanding anything contained herein to the contrary, but subject to and without limiting any other obligations that a Member or Manager may have to the Company or any of its Affiliates pursuant to any separate written agreement signed by such Member or Manager and the Company or any of its Affiliates, (i)(A) no Member or Manager (other than the CEO Manager) shall be required to manage the Company and its Subsidiaries as its sole and exclusive function, (B) the Managers (other than the CEO Manager), Members and any of their respective Affiliates shall dedicate such time to the business of the Company and its Subsidiaries as they shall determine to be necessary or appropriate in their sole discretion, and (C) the Managers (other than the CEO Manager), Members and their respective Affiliates have or may in the future have other business

interests and investments and may engage in other activities, some of which may be in conflict or competition with the business of the Company and its Subsidiaries, in addition to those relating to the Company and its Subsidiaries, and shall be entitled to carry on such other business interests, investment and activities and/or compete with the Company and its Subsidiaries or pursue such opportunities, even if such interests, investment and activities are adverse to the interests of the Company or one or more of the Members, and shall have no obligation to present any such opportunities to the Company or any other Person (except to the extent that such opportunity was presented to a Manager expressly in such Person's capacity as a Manager), and (ii) neither the Company nor any of its Subsidiaries nor any Member or Manager thereof or any other Person shall have any right, by virtue of this Agreement or the Company relationship created hereby or otherwise, in or to such other ventures or activities of the Manager or any other Member or any of their respective Affiliates, or to the income or proceeds derived therefrom, and the pursuit of such ventures shall not be (or be deemed) wrongful or improper or a breach of this Agreement, and no notice of the pursuit thereof or the engagement therein shall be required to be provided to the Company, any Subsidiary thereof, any Member, any Affiliate thereof or any other Person; *provided*, that in the event that during the term of this Agreement any Member or Manager (directly or indirectly) acquires from the Company or one of its Subsidiaries (including through a Manager), knowledge of a potential transaction or matter that the Company or its applicable Subsidiary is potentially pursuing, such Member or Manager (including their respective Affiliates) shall not usurp that specific corporate opportunity unless the Company or its applicable Subsidiary irrevocably abandons the matter or transaction and renounces its interest in such potential matter or transaction.

(b) No individual who is an employee, officer or director of a Member (or employee, officer or director of an Affiliate of such Member, including any affiliated investment fund) shall simultaneously serve as a Manager of the Board and as a member of a board of directors or managers (or equivalent governing body) or as an officer of any company or business that competes with the business of the Company or any of its Subsidiaries (each, a "**Company Competitor**"). To the extent that a Member (or Affiliate thereof, including any affiliated investment fund) (i) has any equity investment in a Company Competitor, or (ii) has any employee, officer or director serving on the board of directors or managers (or equivalent governing body) or as an officer of any Company Competitor, in the case of both (i) and (ii), such Member shall implement appropriate information sharing restrictions that prohibit the disclosure to applicable individuals of any competitively sensitive information or other Confidential Information of the Company or its Subsidiaries in compliance with applicable laws and good industry practice.

Section 14.02. *Amendments*. No amendment or modification of this Agreement shall be valid unless executed in writing by Members (together with their Related Persons) holding at least a majority of the Common Units; *provided* that (i) any amendment or modification that materially and adversely affects a Member (in its capacity as a holder of Common Units) (a "**Disproportionately Affected Member**") in a manner disproportionate to the manner in which it affects other Members (in their capacities as holders of Common Units) shall also require the prior written consent of such Disproportionately Affected Member (except that if any amendment or modification

materially and adversely affects a group of Disproportionately Affected Members in a similar manner, such amendment or modification shall for purposes of this clause (i) require only the prior written consent of Disproportionately Affected Members holding a majority of the Common Units held by such group of Disproportionately Affected Members), (ii) any amendment or modification of Section 5.04, Section 5.09(d) or Section 5.09(e) shall require the approval of the PIMCO Member and the SP Member, (iii) any amendment or modification of any clause of this Section 14.02, or any other provision of this Agreement, that provides for the approval of a given Member or group of Members or approval by at least a specified percentage of Members shall also require approval of that Member or group of Members or at least that specified percentage of Members, as applicable, (iv) any amendment or modification of Section 9.02 or Section 9.03 that adversely affects a Member shall require the consent of each such adversely affected Member, (v) any amendment or modification to Section 5.02 that would increase the size of the Board above nine (9) Managers, shall require the consent of each Member who has the right to designate a Manager pursuant to Section 5.02 at such time, (vi) any amendment or modification to Section 5.04(c) that would amend or modify the entitlement of each Manager to one vote with respect to decisions made by the Board shall require the consent of each Member who has a right to designated a Manager to the Board pursuant to Section 5.02(a), (vii) any amendment or modification to any provision of Section 5.02 that expressly grants rights by name to the PIMCO Member or the SP Member shall require the approval of the PIMCO Member or the SP Member, respectively, (viii) any amendment to delete Section 7.02 in its entirety or any amendment or modification to Section 7.02 that would increase the Common Unit ownership thresholds set forth in clause (x) and (y) of Section 7.02 shall require the consent of each adversely affected Member, (ix) any amendment or modification to Section 5.04(d) shall also require the consent of the PIMCO Member and the SP Member for so long as they hold any Common Units, (x) any amendment or modification that adversely affects the Members that own 2032 Convertible Notes shall also require the prior written consent of Members holding a majority of the principal amount of 2032 Convertible Notes, and (xi) any amendment or modification to Section 5.07 or Section 6.06 or the tax classification of the Company or any of its Subsidiaries that adversely affects any Member shall require the consent of each adversely affected Member. Notwithstanding the foregoing, any amendment, modification or waiver effected in connection with, in each case as contemplated by this Agreement, (A) the authorization of additional Units or Equity Securities, (B) the creation of additional series or classes of Units or other Equity Securities, (C) the issuance of Units or other Equity Securities, provided that such creation of additional series or classes of Units or other Equity Securities does not impact the relative rights of holders of Common Units as compared to other holders of Common Units, (D) a Sale of the Company, (E) an IPO, (F) an IPO Conversion, or (G) the exercise by the Company, the Board, the PIMCO Member and/or the SP Members of their rights under this Agreement relating to any of actions in the foregoing clauses (A) through (F), shall not require the consent of any Member, holder, class of holders or other Person (other than the Board and the PIMCO Member and/or the SP Members, as appliable) except to the extent expressly set forth herein. For the avoidance of doubt, the foregoing restrictions in this Section 14.02 shall likewise apply to

any amendment or modification of any defined term used in any of the foregoing provisions the amendment of which would effectively amend or modify such provision.

Section 14.03. *Title to the Company Assets*. The Company's assets (real or personal, tangible or intangible, including limited liability company interests) shall be deemed to be owned by the Company as an entity, and no Member, individually or collectively, shall have any ownership interest in such the Company's assets or any portion thereof. Legal title to any or all of the Company's assets may be held in the name of the Company or one or more nominees, as the Board may determine. The Board hereby declares and warrants that any of the Company's assets for which legal title is held in the name of any nominee shall be held in trust by such nominee for the use and benefit of the Company in accordance with the provisions of this Agreement. All of the Company's assets shall be recorded as the property of the Company on its books and records, irrespective of the name in which legal title to such assets is held. Each Member hereby expressly waives the right to require the partition of any Company property or any part thereof.

Section 14.04. *Remedies*. Each Member and the Company shall have all rights and remedies set forth in this Agreement and all rights and remedies which such Person has been granted at any time under any other agreement or contract and all of the rights which such Person has under any law. Any Person having any rights under any provision of this Agreement or any other agreements contemplated hereby shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law.

Section 14.05. *Successors and Assigns*. Except as otherwise provided herein, all covenants and agreements contained in this Agreement shall bind and inure to the benefit of the parties hereto, any other Members and their respective heirs, executors, administrators, successors, legal representatives and Permitted Transferees and assigns, whether so expressed or not. Notwithstanding anything to the contrary herein, no Member shall be entitled to assign to any Person, in whole or in part, its rights to acquire Units under Section 6.06 with respect to each transaction contemplated by such Sections in connection with the consummation of such particular transaction, other than to one or more of such Member's Affiliates, without the prior written consent of the Board.

Section 14.06. *Severability.* Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 14.07. *Counterparts; Binding Agreement*. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of electronic signature), any one of which need not contain the signatures of more than one party, but

each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto and the other Members. This Agreement and all of the provisions hereof shall be binding upon and effective as to each Person who (a) is a Member (whether or not such Member has executed this Agreement), (b) executes this Agreement in the appropriate space provided in the signature pages hereto notwithstanding the fact that other Persons who have not executed this Agreement may be listed on the signature pages hereto or (c) may from time to time become a party to this Agreement by executing a counterpart of or joinder to this Agreement, in customary form reasonably acceptable to the Company.

Section 14.08. *Descriptive Headings; Interpretation*. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation, and shall be deemed followed by the phrase "without limitation". Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Whenever required by the context, references to a Fiscal Year shall refer to a portion thereof. The use of the words "or," "either" and "any" shall not be exclusive. All references to any law or statute shall be deemed to refer to all applicable laws, ordinances, treaties or statutes, in each case, as amended from time to time, and to any rules, regulations, judgments or interpretations promulgated thereunder, in each case, as amended or supplemented. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

Section 14.09. *Governing Law; Submission to Jurisdiction; Waiver of Jury Trial*. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware. The parties hereby agree that any suit, action or Proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the United States District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Superior Court of the State of Delaware), so long as one of such courts shall have subject-matter jurisdiction over such suit, action or Proceeding, and that any case of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware. Each of the parties hereby

irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or Proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or Proceeding in any such court or that any such suit, action or Proceeding which is brought in any such court has been brought in an inconvenient form. Service of process, summons, notice or other document by registered mail to the address set forth in Section 14.10 shall be effective service of process for any suit, action or other Proceeding brought in any such court. Each party hereto hereby acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 14.10. *Addresses and Notices*. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given or made when (a) delivered personally to the recipient, (b) emailed to the recipient if emailed before 5:00 p.m. New York time on a Business Day, and otherwise on the next Business Day, or (c) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the address for such recipient set forth in the Company's books and records, or to such other address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Any notice to the Board or the Company shall be deemed given if received by the secretary of the Company at the principal office of the Company (as set forth below). Such notices, demands, and other communications shall be sent (x) if to the Members, at the respective addresses set forth on the signature pages to this Agreement (or in the books and records of the Company), or to such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 14.10, and (y) if to the Company, addressed to:

[Newco]
c/o [_____]
[Address]
[Address]
Attn: [_____]
Email: [_____]

with a copy (which shall not constitute notice) to:

[_____]
[Address]
[Address]
Attn: [_____]
Email: [_____]

or to such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 14.10.

Section 14.11. *Waiver*. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

Section 14.12. *Further Action*. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 14.13. *Entire Agreement*. This Agreement constitutes the entire agreement among the Company, on the one hand, and all of the Members (in their respective capacities as holders of Units), on the other hand, relating to the matters covered hereby and supersedes any prior contracts or agreements among the Company and the Members (in their respective capacities as holders of Units) relating to the matters covered hereby.

Section 14.14. *Limited Power of Attorney*. Each Member (other than the PIMCO Member and the SP Member) constitutes and appoints the Drag-Along Seller (if any and solely for purposes of Section 9.03) and the Board (solely for purposes of Section 14.16), as applicable, and their respective designees, with full power of substitution, as such Member's true and lawful attorney in fact ("**Attorney-in-Fact**"), with full power and authority in such Member's name, place and stead, to (A) act as its proxy in respect of any vote or approval of Members required to give effect to Section 9.03 and/or Section 14.16, as applicable, if and only if such Member (a) fails to vote (whether by proxy, in person or by written resolution) (it being understood that failing to execute a written resolution within 15 days of being requested shall constitute a failure to vote; *provided*, if such Member fails to execute such written resolution within such 15-day period, then at least 1 business day prior to exercising such power, written notice of such failure shall be delivered by the Company to such Member), or (b) attempts to vote (whether by proxy, in person or by written resolution) in a manner which is inconsistent with the terms of this Agreement, and/or (B) execute and deliver such usual and customary agreements, instruments and documents requested by the Drag-Along Seller in connection with a Drag-Along Sale effected in accordance with Section 9.03, or by the Board in connection with an IPO Conversion effected in accordance with Section 14.16; *provided*, *however*, that, notwithstanding the foregoing, an Attorney-in-Fact may not and shall not execute and deliver any agreements, instruments or documents on behalf of a Member in reliance on this clause (B) unless the Company has first provided written notice to the Member, together with copies of all such agreements, instruments and documents requested to be signed, and the Member has failed to respond within 15 days of receipt thereof. The foregoing limited power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, bankruptcy, insolvency or termination of such Member and shall extend to such Member's heirs, successors, assigns and personal representatives.

Section 14.15. *Specific Performance*. The parties hereto agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity, and shall not be required to post a bond or other collateral in connection therewith.

Section 14.16. *IPO*. Each Member acknowledges and agrees that the Board shall have the right to determine whether, and the terms on which, the Company or any successor to the business of the Company shall pursue and consummate an IPO. In connection with any proposed IPO in accordance with this Section 14.16, without the need for any action or consent of any other Person, the Company, at the direction of the Board, may develop and cause the implementation of an IPO Conversion. In connection therewith, the Members may take any and all actions reasonably necessary or advisable to create and implement the IPO of a PublicCo, including (a) amending this Agreement, including amendments that alter the capital structure of the Company or provide for the conversion of the Company in accordance with Delaware law or other applicable law to a corporation or such other entity, whether through the issuance, conversion or exchange of equity securities or otherwise, (b) merging, converting or consolidating the Company, (c) forming a Subsidiary holding company that would serve as PublicCo and distributing its shares to the Members, (d) transferring, domesticating or otherwise moving the Company to another jurisdiction, (e) exchanging Units for shares of PublicCo, provided that each Member shall receive shares in PublicCo having equivalent economic rights, priority, governance rights and privileges as in effect immediately prior to such conversion, and (f) taking such other steps as it deems necessary or advisable to create a suitable vehicle for an offering, and in each case solely for the express purpose of an initial offering of the securities of such PublicCo for sale to the public in the IPO (any such action, an "**IPO Conversion**"). Without limiting the foregoing, in connection with an IPO Conversion, the Members, acting by the affirmative vote of the Requisite Members pursuant to Section 5.09(d)(ii), shall be permitted to cause the Company to merge, with the surviving entity to be determined by the Members. The Board, the Company and any Subsidiaries of the Company shall cooperate with such reasonable requests of the Members in connection with an IPO and shall execute and deliver such instruments and take such other action, including executing any agreement or document as may be reasonably required by the Members in order to carry out the terms and provisions of this Section 14.16.

Section 14.17. *Registration Rights*. In connection with an IPO, PublicCo and the Members shall enter into a registration rights agreement with the material terms and conditions set forth on Exhibit B hereto and such other reasonable customary terms agreed to by Members holding at least a majority of the equity interests of PublicCo that would be issuable to (or held by) the Members in the IPO.

Section 14.18. *No Impairment*. Notwithstanding anything herein to the contrary, nothing contained in this Agreement or any other agreement related to any Member's investment in the Company shall affect, limit or impair the rights and remedies of any Member or

any of its Permitted Transferees that is a lender to the Company or any of its Subsidiaries. Without limiting the generality of the foregoing, any such Person, in exercising its rights as a lender to the Company or any of its Subsidiaries will have no duty to consider its status as a direct or indirect equityholder of the Company and will owe no duty to any other direct or indirect equity holder of the Company.

Section 14.19. *Expenses*. Unless otherwise provided herein, the Company shall bear all of the expenses incurred by the Company in connection with the preparation, execution and performance of this Agreement and, the transactions contemplated hereby, including all fees and expenses of agents, counsel and accountants.

Section 14.20. *Aggregation*. To the extent any action, consent or right under this Agreement requires a threshold level of ownership of Common Units by a given Member, the ownership of Common Units by such Member and its Related Persons shall be aggregated for the purposes of satisfying such threshold. For purposes of this Agreement, references to "holds," "held" or "holding" with respect to a specified percentage threshold of Units and a given Person means that such Person has "beneficial ownership" (as defined in Rule 13d-3 under the Exchange Act) of such Units; *provided* that: (a) no Person shall be deemed to have beneficial ownership of Units underlying the 2032 Convertible Notes or other Equity Securities unless and until such securities are exercised and/or converted and (b) no Person shall be deemed to have beneficial ownership of Units, 2032 Convertible Notes or other Equity Securities held of record by any other Person solely as a result of (i) the fact that such Persons are party to this Agreement or (ii) the exercise of the Drag-Along Right or entry into the relevant purchase agreement. Notwithstanding the foregoing, in no event shall two or more Members, acting separately and not on an aggregated basis, be entitled to claim beneficial ownership of the same Units, 2032 Convertible Notes or other Equity Securities for purposes of exercising any rights hereunder, and the Company shall be permitted to disregard any such claims in its good faith judgment. In determining the ownership of Units, 2032 Convertible Notes or other Equity Securities for any purposes hereunder, the Company shall be entitled to conclusively rely in good faith on (a) the then most current ownership information provided to it by the transfer agent for the Units, 2032 Convertible Notes or other Equity Securities (including information provided by any depositary, including the Depository Trust & Clearing Corporation) or (ii) if there is no such transfer agent, the most current ownership information then in its possession, and, in each case, any such determination made by the Company in reliance thereon shall be deemed final and binding on all parties hereto.

Section 14.21. *Independent Agreement by the Members*. The parties to this Agreement acknowledge that this Agreement does not constitute an agreement, arrangement, or understanding with respect to acting together for the purpose of acquiring, holding, voting, or disposing of any Common Units and the Members do not constitute a "group" within the meaning of Rule 13d-5 under the Exchange Act. Nothing contained in this Agreement and no action taken by any Member pursuant to this Agreement shall be deemed to constitute or to create a presumption by any parties that the Members are in any way acting in concert or as a "group" (or a joint venture, partnership or association),

and each of the Company and the Members agree to not assert any such claim with respect to such obligations or the transactions contemplated by this Agreement.

* * * * *

IN WITNESS WHEREOF, the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

COMPANY:

[NEWCO] LLC

By: _____
Name:
Title:

MEMBERS:

[ENTITY NAME]

By: _____
Name:
Title:

ADDRESS FOR NOTICES

_____

_____

_____

Email Address: _____

EXHIBIT A

Schedule of Members

Member	Capital Contribution	Common Units	2032 Convertible Notes (principal amount)
[PIMCO]	$[__]	[__]	$[__]
[SP]	$[__]	[__]	$[__]
[***Others to come***]			$[__]

EXHIBIT B

Registration Rights Agreement Term Sheet

Demand Rights:	After any IPO, the PIMCO Member and the SP Member will have unlimited demand registrations on Form S-1 or Form S-3; *provided* that the PublicCo shall not be required to effect two underwritten demand registrations in any one [180]-day period; total net proceeds of any demand registration offering must be in excess of a customary amount to be proposed by the Board
Piggyback Rights:	Each of the shareholders that holds more than [2]% of the total registrable securities outstanding will be entitled to piggyback registration rights on all public offerings of shares (whether for PublicCo's account or another shareholder's account)
Fees and Expenses:	PublicCo will pay all fees and expenses related to any registered offering, except underwriting discounts, commissions or fees attributable to shares sold by shareholders in such offering, including the fees and expenses of one counsel for the registering shareholders (which counsel will mutually be selected by the participating PIMCO Member and SP Member)
Selection of Underwriters:	In any primary offering by PublicCo the underwriters will be chosen by the Board and in any secondary offering in which there is no primary offering by PublicCo, the underwriters will be chosen by the selling shareholders of a majority of the shares to be registered
Underwriter Cutbacks:	In an offering for the account of PublicCo, the shareholders' shares will be subject to *pro rata* cutback prior to any shares of PublicCo; in a demand registration, the PublicCo's shares will be cut back first and then shareholders' shares will be cut back *pro rata* with a customary catch-up mechanism for any shareholders who have sold relatively more in prior offerings relative to other participating shareholders
Market Standoff:	The Shareholders will agree to be bound by customary underwriter lock-up agreements prohibiting sales of shares of PublicCo as approved by the Board following an IPO and other offerings to the extent approved by the Board

Indemnification:	PublicCo will indemnify selling shareholders for damages arising out of material misstatements or omissions relating to the registration statement, except to the extent such misstatements or omissions were made based upon information furnished by or on behalf of any relevant selling shareholder to PublicCo for use in the registration statement Each selling shareholder will indemnify PublicCo for damages arising out of material misstatements or omissions relating to the registration statement to the same extent as the indemnity from PublicCo to such relevant selling shareholder, but only with respect to information furnished by or on behalf of such selling shareholder to PublicCo for use in the registration statement
Termination of Rights:	Registration rights expire as to any shares when: (i) such shares are sold under an effective registration statement, (ii) such shares are sold under Rule 144, (iii) such shares have been otherwise transferred, an unlegended certificate for the shares has been issued and such shares can thereafter be sold without registration or (iv) with respect to shares held by a shareholder, when such shareholder beneficially owns less than [2]% of the total registrable securities outstanding at such time and all such shares are eligible to be sold under Rule 144 in any 90-day period thereunder

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-23-90611 (MI) Chapter 11 (Jointly Administered)

ORDER (I) APPROVING THE AMENDED DISCLOSURE STATEMENT, (II) APPROVING RE-SOLICITATION OF CLASSES 4 AND 6 AND RELATED VOTING PROCEDURES, (III) APPROVING FORMS OF MODIFIED BALLOTS, (IV) SCHEDULING A CONFIRMATION HEARING, (V) ESTABLISHING NOTICE AND OBJECTION PROCEDURES, AND (VI) SHORTENING THE NOTICE AND OBJECTION PERIODS IN CONNECTION WITH THE FOREGOING

[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 https://www.veritaglobal.net/incora. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

Upon the motion (the "***Motion***"),[2] of the above-captioned Debtors for entry of an order approving: (i) the adequacy of information in the Amended Disclosure Statement; (ii) the Re-Solicitation of Classes 4 and 6 and related Voting Procedures; (iii) the forms of Modified Ballots, Master Ballots, and notices in connection therewith; and (iv) certain deadlines with respect to voting and confirmation process, (v) notice and objection procedures, and (vi) shortening the notice and objection procedures in connection with the foregoing, all as more fully set forth in the Motion; and the Court having jurisdiction to decide the Motion and to enter this Order pursuant to 28 U.S.C. § 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, including through the Disclosure Statement Hearing Notice, such notice being adequate and appropriate under the circumstances; and after notice and a hearing, as defined in section 102 of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Motion and in the record establish just cause for entry of this Order; and it appearing that entry of this Order is in the best interests of the Debtors' estates; it is hereby **ORDERED** that:

I. Approval of the Amended Disclosure Statement

1. The Amended Disclosure Statement is approved as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

2. The Amended Disclosure Statement (including its exhibits) provides holders of Claims, holders of Interests, and other parties in interest with sufficient notice of the injunction, exculpation, and release provisions contained in Article VIII of the Modified Second Amended Plan, in satisfaction of the requirements of Bankruptcy Rules 2002(c)(3) and 3016(b) and (c).

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

II. Approval of the Procedures, Materials, and Timeline for Re-Soliciting Votes on and Confirming the Modified Second Amended Plan.

A. Approval of Re-Solicitation and Voting Procedures.

3. The Debtors are authorized to re-solicit, receive, and tabulate votes to accept or reject the Modified Second Amended Plan in accordance with the Motion and the Re-Solicitation Package, which are approved in their entirety.

4. Except as set forth herein, the Solicitation and Voting Procedures previously approved by this Court in the *Order (I) Approving the Disclosure Statement, (II) Approving Solicitation and Voting Procedures, (III) Approving Forms of Ballots, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Procedures* [Docket No. 1228] remain in full force and effect.

B. Approval of Certain Dates and Deadlines with Respect to the Modified Second Amended Plan and Amended Disclosure Statement.

5. The following dates and times are established:

Event	Date and Time
Filing of: • Modified Second Amended Plan; • Amended Disclosure Statement; • Re-Solicitation Motion; • Appellate Adjustment Mechanic	August 23, 2024
Voting Record Date	September 3, 2024
Proposed Deadline for Filing Objections to Re-Solicitation Motion and to Approval of the Amended Disclosure Statement	September 4, 2024 at 5:00 p.m. (CT)
Disclosure Statement Approval Hearing	September 5, 2024 at 9:00 a.m. (CT)
Deadline for Commencement of Solicitation	September 10, 2024

Event	Date and Time
Deadline to File: • Objections to Confirmation of the Modified Second Amended Plan;[3] • Post Updated Post-Trial Closing Briefs for Outstanding Issues in Connection with the 2024/2026 Noteholder Group's Amended Counterclaims	September 13, 2024 at 5:00 p.m. (CT)
Voting Deadline	September 27, 2024 at 5:00 p.m. (CT)
Voting Report	October 3, 2024
Deadline for Replies to Objections to the Modified Second Amended Plan[4]	October 3, 2024
Confirmation Hearing[5]	October 7, 2024 at 9:00 a.m. (CT)

C. Approval of the Form and Distribution of Re-Solicitation Packages to Parties Entitled to Vote on the Modified Second Amended Plan.

6. The Re-Solicitation Packages shall be transmitted on or before the Solicitation Deadline, or as soon as reasonably practicable thereafter, to Classes 4 and 6 as of the Voting Record Date. The Re-Solicitation Packages shall include the following, the form of each of which is approved:

a. the Modified Second Amended Plan, including a redline to the Plan;

b. a copy of the Solicitation and Voting Procedures;

c. the Amended Confirmation Hearing Notice;

d. the approved Amended Disclosure Statement (and its exhibits);

e. the Disclosure Statement Order (excluding exhibits);

f. a Modified Ballot (or Master Ballot, as applicable), with detailed voting instructions on how to complete the Modified Ballot; and

g. such other materials as the Court may direct.

[3] Including objections to the release of all claims set forth in the 2024/2026 Noteholder Group's Standing Motion.

[4] Including replies and objections to the 2024/2026 Noteholder Group's Standing Motion (including Avoidance Actions).

[5] For the avoidance of doubt, all pending standing motions, counterclaims of the 2024/2026 Noteholder Group, and all unresolved motions seeking adequate protection shall be heard at the Confirmation Hearing.

7. The Debtors shall distribute Re-Solicitation Packages to Classes 4 and 6 on or before the Solicitation Deadline. Such service shall satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

8. The Debtors are authorized, but not directed or required, to distribute the Modified Second Amended Plan, the Amended Disclosure Statement, a copy of the Solicitation and Voting Procedures, Modified Ballots, and the Amended Confirmation Hearing Notice, and this Order (without exhibits, except the Solicitation and Voting Procedures) to Classes 4 and 6 in electronic medium (e.g., flash drive). The Debtors shall provide, at the Debtors' expense, paper copies of any electronically distributed documents upon request to the Solicitation Agent. On or before the Solicitation Deadline, the Debtors shall provide complete Re-Solicitation Packages (excluding Modified Ballots) to the U.S. Trustee and to all parties on the 2002 List as of the Voting Record Date.

9. The Solicitation Agent is authorized to assist the Debtors in: (a) distributing the Re-Solicitation Packages and related materials; (b) receiving, tabulating, and reporting on the Modified Ballots cast to accept or reject the Modified Second Amended Plan; (c) responding to inquiries from holders of Claims and Interests and other parties in interest relating to the Amended Disclosure Statement, the Modified Second Amended Plan, the Modified Ballots, the Re-Solicitation Packages, and all other matters related thereto, including the procedures and requirements for voting to accept or reject the Modified Second Amended Plan and for objecting to the Modified Second Amended Plan; (d) soliciting votes on the Modified Second Amended Plan; and (e) if necessary, contacting creditors regarding the Modified Second Amended Plan.

10. The Solicitation Agent is authorized to accept Master Ballots from Nominees via email to IncoraBallots@veritaglobal.com.

11. The Re-Solicitation Packages (including the Modified Ballots) and their service in accordance with this Order comply with the requirements of the Bankruptcy Code, Bankruptcy Rules, and Local Rules and are approved and deemed to be sufficient and appropriate under the circumstances.

12. Beneficial Holders of the Notes Claims in Classes 4 and 6 are deemed to have consented and authorized their Nominees to disclose their name and contact information to the Debtors. Upon request by the Debtors, all Nominees responsible for Master Ballots shall provide unredacted copies of the corresponding Beneficial Holder Ballots (in respect of both the original solicitation and the re-solicitation) to the Debtors and/or the names and contact information of the Beneficial Holders.

D. Approval of the Form and Distribution of the Amended Confirmation Hearing Notice to the Unaffected Classes and Contract and Lease Counterparties.

13. Except to the extent the Debtors determine otherwise, the Debtors are not required to provide Re-Solicitation Packages to holders of Claims or Interests in Non-Voting Classes. Instead, on or before the Solicitation Deadline, the Solicitation Agent shall mail (first-class postage pre-paid) the Amended Confirmation Hearing Notice in lieu of a Re-Solicitation Package, the form of each of which is hereby approved, to the holders of Claims and Interests in the following Classes: Class 1 (Priority Non-Tax Claims), Class 2 (Other Secured Claims), Class 3 (ABL Facility Claims), Class 5 (1.25L Notes Claims), Class 8 (PIK Notes Claims), and Class 10 (Existing Equity Interests), as well as holders of General Unsecured Claims in Class 7a, holders of General Unsecured Convenience Claims in Class 7b, and holders of 2024 Unsecured Notes Claims in Class 7c.

14. The Debtors are not required to mail Re-Solicitation Packages or other solicitation materials to: (a) holders of Claims that have already been paid in full during the Chapter 11 Cases or that the Debtors are authorized to pay in full in the ordinary course of business pursuant to an order previously entered by this Court; or (b) any party to whom the Disclosure Statement Hearing Notice was sent but was returned as undeliverable; or (c) holders of Claims in Class 9 (Intercompany Claims) and Class 11 (Intercompany Interests).

15. The Debtors are authorized to mail the Amended Confirmation Hearing Notice to counterparties of assumed or rejected Executory Contracts or Unexpired Leases, as applicable.

E. Approval of the Amended Confirmation Hearing Notice.

16. The Amended Confirmation Hearing Notice, substantially in the form attached hereto as **Exhibit 3**, which shall be filed and served upon parties in interest by [•], 2024 (or as soon as reasonably practicable thereafter) and published in the national edition of the *New York Times* (national edition), the *Financial Times* (global edition), and any local publications that the Debtors deem appropriate (which shall be disclosed in the Claims Agent's affidavit of service), within [•] business days after entry of this Order, or as soon as reasonably practicable thereafter, constitutes adequate and sufficient notice of the hearing to consider approval of the Modified Second Amended Plan, the manner in which a copy of the Modified Second Amended Plan and Amended Disclosure Statement can be obtained, and the time fixed for filing objections to the Modified Second Amended Plan, in satisfaction of the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Local Rules. The Debtors shall also post the Amended Confirmation Hearing Notice on the Debtors' case information website and file it on the Court's docket.

F. Approval of the Procedures for Filing Objections to the Modified Second Amended Plan.

17. Objections to the Modified Second Amended Plan will not be considered by the Court unless such objections comply with this Order. Specifically, all objections to confirmation of the Modified Second Amended Plan or requests for modifications to the Modified Second Amended Plan, if any, must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) set forth the name and address of the objecting party and the nature and amount of Claims or Interests held or asserted by the objecting party; (d) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Modified Second Amended Plan (or related materials) that would resolve such objection; and (e) be filed with the Court by 5:00 p.m. (CT) on September 13, 2024.

G. Non-Substantive Modifications.

18. The Debtors are authorized to make non-substantive changes to the Amended Disclosure Statement, Modified Second Amended Plan, Amended Confirmation Hearing Notice,

Re-Solicitation Packages, Modified Ballots, Solicitation and Voting Procedures, and related documents without further orders of the Court, including changes to correct typographical and grammatical errors, if any, where, in the Debtors' reasonable discretion, doing so would better facilitate the Modified Second Amended Plan solicitation process.

III. MISCELLANEOUS

19. Nothing in this Order shall be construed as a waiver of the right of the Debtors or any other party in interest to object to a proof of claim at any time, including after the Voting Record Date.

20. Nothing contained in the Motion or this Order or any payment made pursuant to the authority granted by this Order is intended to be or shall be deemed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (c) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (d) an agreement or obligation to pay any claims, (e) a waiver of any claims or causes of action which may exist against any creditor or interest holder, (f) an admission as to the validity of any liens satisfied pursuant to this Motion, or (g) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

21. All time periods set forth in this Order, the Re-Solicitation Package, or in the Solicitation and Voting Procedures shall be calculated in accordance with Bankruptcy Rule 9006(a).

22. The terms and conditions of this Order are immediately effective and enforceable upon its entry.

23. The Debtors and their agents (including the Solicitation Agent) are authorized to take all steps necessary or appropriate to carry out this Order.

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

Dated: _____
Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1 TO THE PROPOSED ORDER

SOLICITATION AND VOTING PROCEDURES

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

SOLICITATION AND VOTING PROCEDURES

[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 https://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.

On September [•], 2024, the United States Bankruptcy Court for the Southern District of Texas (the "***Court***") entered the *Order (I) Approving the Amended Disclosure Statement, (II) Approving Re-Solicitation of Classes 4 and 6 and Related Voting Procedures, (III) Approving Forms of Modified Ballots, (IV) Scheduling a Confirmation Hearing, (V) Establishing Notice and Objection Procedures, and (VI) Shortening the Notice and Objection Periods in Connection With the Foregoing* [Docket. No. [•]] (the "***Amended Disclosure Statement Order***") (a) approving the adequacy of the *Amended Disclosure Statement for the Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Docket. No. [•]] (including all of its exhibits and supplements, the "***Amended Disclosure Statement***") (b) approving these solicitation and voting procedures (the "***Solicitation and Voting Procedures***") with respect to confirmation of the *Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Docket. No. [•]] (including all exhibits thereto, the "***Plan***"), (c) approving the forms of ballots and notices in connection therewith, (d) scheduling certain dates with respect thereto, and (e) authorizing the above-captioned debtors and debtors in possession (the "***Debtors***") to solicit acceptances or rejections of the Plan from holders of impaired claims who are (or may be) entitled to receive distributions under the Plan.[2]

I. THE VOTING DEADLINE

The Court has approved September 27, 2024, at 5:00 p.m. (CST), as the deadline (the "***Voting Deadline***") to vote on the Plan. The Debtors, with the consent of the Required 1L Noteholders (not to be unreasonably withheld), may extend the Voting Deadline by oral or written notice to Kurtzman Carson Consultants LLC d/b/a Verita Global, in its capacity as solicitation agent for the Debtors (the "***Solicitation Agent***"). The Debtors may extend the Voting Deadline an unlimited number of times, may extend the Voting Deadline by any increment, and may extend the Voting Deadline retroactively. The Debtors will have no obligation to publish, advertise, or otherwise communicate any such extension, other than by notifying each of the Prepetition Indenture Trustees for conveyance to the noteholders in their respective facilities, notifying the First Lien Noteholder Group and the Committee, posting a notice on the Solicitation Agent's website at https://www.veritaglobal.net/incora, and filing a notice of the extension with the Court.

To be counted as votes to accept or reject the Plan, all ballots casting votes on the Plan ("***Ballots***") must be properly executed, completed, and delivered to the Solicitation Agent via email to IncoraBallots@veritaglobal.com or via first-class mail, overnight courier, or hand delivery to the Solicitation Agent at: Incora Ballot Processing, c/o Verita Global, 222 N. Pacific Coast Hwy., Suite 300, El Segundo, CA 90245, so that they are actually received, in any case, no later than the Voting Deadline by the Solicitation Agent. Delivery of a Ballot to the Solicitation Agent by fax or other means of electronic submission will not be valid.

[2] Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

II. Form, Content, and Manner of Notices

A. The Solicitation Package

The following materials, without duplication, will constitute the solicitation package (the "***Solicitation Package***"):

a. these Solicitation and Voting Procedures;

b. the Amended Confirmation Hearing Notice;

c. the approved Amended Disclosure Statement (and its exhibits, including the Plan);

d. the Amended Disclosure Statement Order (excluding exhibits);

e. a Ballot, instructions on how to complete the Ballot;[3] and

f. such other materials as the Court may direct to include in the Solicitation Package.

B. Distribution of the Solicitation Package

The Solicitation Package shall include the Amended Disclosure Statement (including the Plan and other exhibits), the Amended Disclosure Statement Order (without exhibits, except the Solicitation and Voting Procedures) in electronic format (such as a flash drive), and all other contents of the Solicitation Package. Any party that prefers to receive the materials on paper (at the Debtors' expense) may contact the Solicitation Agent by: (a) calling (888) 251-2937 (U.S./Canada) or +1 (310) 751-2613 (international); (b) visiting the Debtors' restructuring website at: https://www.veritaglobal.net/incora, and/or (c) writing to Incora Claims Processing Center, c/o Verita Global, 222 N. Pacific Coast Hwy., Ste. 300, El Segundo, CA 90245.

The Debtors shall deliver, or cause to be delivered, the Solicitation Package to all holders of Claims in the Re-Solicitation Classes on or before September 10, 2024, who are entitled to vote, as described in Section V.A of the Disclosure Statement. In addition, the Debtors will serve, or cause to be served, all of the materials in the Solicitation Package (excluding the Ballots) on the U.S. Trustee and all parties who have requested service of papers in this case pursuant to Bankruptcy Rule 2002 as of the Voting Record Date.

To avoid duplication and reduce expenses, the Debtors will make reasonable efforts to ensure that any holder of a Claim who has filed duplicative Claims (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class will receive no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

[3] Service of the Solicitation Package may be performed electronically, or otherwise in nominees' customary practice.

III. Occurrence of Termination Date

Upon the occurrence of a Termination Date (as defined in the Restructuring Support Agreement) (other than a Termination Date as a result of the occurrence of the Effective Date), any and all votes (including any and all votes contained on a Master Ballot) submitted prior to such Termination Date by the Consenting 1L Noteholders subject to such termination shall automatically be deemed, for all purposes, to be null and void from the first instance and shall not be counted in determining the acceptance or rejection of the Plan or for any other purpose. Such votes may be changed or resubmitted regardless of whether the Voting Deadline has passed (without the need to seek a court order or consent from the Debtors allowing such change or resubmission).

IV. Voting and Tabulation Procedures

A. Holders of Claims Entitled to Vote.

Only holders of Claims in the Re-Solicitation Classes will be entitled to vote on the Plan.

The Court has approved September 3, 2024 as the record date for purposes of determining which holders of claims in the Re-Solicitation Classes are entitled to vote on the Plan (the "***Voting Record Date***").

If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other Entity acting in a fiduciary or representative capacity, that Entity must indicate such capacity when signing. If requested by the Debtors, the signing Entity will be required to submit evidence satisfactory to the Debtors of its authority to so act. Each authorized signatory must submit a separate Ballot for each holder on whose behalf the authorized signatory is voting.

B. Establishing Claim Amounts for Voting Purposes.

The Claim amount established by these Solicitation and Voting Procedures shall control for voting purposes only and shall not constitute the Allowed amount of any Claim. Moreover, any amounts filled in on any Ballot by the Debtors through the Solicitation Agent or the holder of the Claim, as applicable, are not binding for purposes of allowance and distribution.

The aggregate Allowed amounts for the Re-Solicitation Classes for voting purposes will be the Allowed amount of such Claims that is proposed under the Plan. Furthermore, the amount ascribed to each directly registered holder or Nominee will be proportionate to the principal amount of the respective Notes held by such directly registered holder or Nominee as of the Voting Record Date, as evidenced by the books and records of the respective Indenture Trustees and by securities position reports of the Depository Trust Company ("***DTC***").

C. Tabulation of Ballots.

Each Ballot enclosed with this Disclosure Statement is marked with the Class in which the corresponding Claim has been placed under the Plan. All votes to accept or reject the Plan must be cast by properly submitting the duly completed and executed Ballot in accordance with the

instructions set forth on the applicable Ballot. If a creditor wishes to vote on the Plan, it must complete and sign its Ballot in accordance with the instructions printed on the Ballot, being sure to check one (and only one) of the boxes labeled "**Accept** (vote **for**) the Plan as to each Debtor" or "**Reject** (vote **against**) the Plan as to each Debtor." Any executed Ballot that does not indicate either acceptance or rejection of the Plan, or that indicates both acceptance and rejection of the Plan, will not be counted.

Each holder of multiple Claims within a single Class must vote each of its Claims within that Class either to accept or to reject the Plan and may not split its vote. If a holder of Claims holds multiple Claims within a particular Class, the Debtors may, in their discretion, instruct the Solicitation Agent to aggregate that holder's Claims within the applicable Class for the purpose of counting votes.

As set forth in greater detail on each Ballot's instructions, each Ballot may be submitted by first class mail or email in accordance with the Ballot's instructions.

D. Tabulation of Master Ballots.

1. *Record Holders*

A beneficial holder of a Notes Claim that holds a Claim as a record holder in its own name should vote on the Plan by completing and signing a Ballot (a "***Record Holder Ballot***") and returning it directly to the Solicitation Agent on or before the Voting Deadline. The voting amounts of any record holder of a Claim will be the amounts set forth on the books and records of the applicable indenture trustee as of the Voting Record Date.

2. *Beneficial Holders Holding Through DTC Nominees*

a. Beneficial Holders

In addition to the foregoing generally applicable voting and ballot tabulation procedures, the following procedures shall apply to Beneficial Holders of Notes Claims who hold their position through a broker, bank, or other nominee or an agent of a broker, bank, or other nominee (each of the foregoing, a "***Nominee***"). A beneficial holder that holds its claim in "street name" through a Nominee (a "***Beneficial Holder***") may vote on the Plan through one of the following two methods, as selected by the Beneficial Holder's Nominee:

i. Each Beneficial Holder that holds its Claim through a particular Nominee will complete and sign a Ballot (a "***Beneficial Holder Ballot***") and return it to its Nominee, in the manner directed by the Nominee and according to any deadline prescribed by the Nominee to ensure that the Nominee can collect and review Beneficial Holder

Ballots and return a completed "master" ballot (a "***Master Ballot***") to the Solicitation Agent by the Voting Deadline.

or

ii. Each Beneficial Holder that holds its Claim through a particular Nominee will receive a pre-validated Beneficial Holder Ballot from its Nominee, which the Beneficial Holder must return directly to the Solicitation Agent by the Voting Deadline.

If it is a Nominee's customary practice to forward solicitation information to Beneficial Holders and to collect votes from them by voter information form ("***VIF***"), email, telephone or other means of communication, the Nominee may employ that method instead of sending a paper Beneficial Holder Ballot and Solicitation Package.

No Beneficial Holder Ballot delivered to a Nominee will be counted unless the Nominee properly delivers to the Solicitation Agent, by the Voting Deadline, either (a) that Beneficial Holder Ballot with proper validation or (b) a Master Ballot that incorporates the Beneficial Holder's vote and (if applicable) other elections.

If a Beneficial Holder holds Claims through more than one Nominee or through multiple accounts, it may receive more than one Beneficial Holder Ballot. It should then execute a separate Beneficial Holder Ballot for each block of Claims that it holds through a Nominee and return each such Beneficial Holder Ballot to the appropriate Nominee.

Votes cast by Beneficial Holders through Nominees will be applied to the positions held by those Nominees, as of the Voting Record Date, as evidenced by securities position reports obtained from the Depository Trust Company. Votes submitted by a Nominee pursuant to a Master Ballot will not be counted in excess of the amount of recorded Claims held by the Nominee as of the Voting Record Date.

b. Nominees

A Nominee that is the DTC account holder of Claims on behalf of one or more Beneficial Holders shall obtain votes and other elections from those Beneficial Holders consistent with customary practices for obtaining the votes of securities held in "street name," in one of the following two ways:

i. *Pre-Validated Ballots.* The Nominee may "pre-validate" a Beneficial Holder Ballot by (a) signing the Beneficial Holder Ballot; (b) indicating on the Beneficial Holder Ballot the amount and the account number of the Claims held by the Nominee for the particular Beneficial Holder; and (c) forwarding the Beneficial Ballot, together with the Disclosure Statement, a postage-paid return envelope pre-addressed to the Solicitation Agent, and other materials requested to be forwarded, to the Beneficial Holder for voting. The Beneficial Holder must then complete the information requested in the Beneficial Ballot and return the Beneficial Ballot directly to the

Solicitation Agent in the pre-addressed, postage-paid return envelope so that it is received by the Solicitation Agent on or before the Voting Deadline. A list of the Beneficial Holders to whom "pre-validated" Beneficial Ballots were delivered should be maintained by Nominees for inspection for at least one year from the Voting Deadline.

ii. *Master Ballots.* The Nominee may obtain the votes of Beneficial Holders by forwarding to each Beneficial Holder an unsigned Beneficial Holder Ballot through mail, VIF, email, or any other reliable and customary method of collecting votes from a Beneficial Holder, together with the Disclosure Statement, a postage-paid return envelope addressed to the Nominee (in the case of a physical mailing), and other materials requested to be forwarded. Each such Beneficial Holder must then indicate its vote and other elections on the Beneficial Holder Ballot, complete the information requested on the Beneficial Holder Ballot, review the certifications contained on the Beneficial Holder Ballot, execute the Beneficial Holder Ballot, and return the Beneficial Holder Ballot to the Nominee. If it is accepted practice for a Nominee to collect votes through a VIF, email, or other method, the Beneficial Holder shall follow the Nominee's instruction for completing and submitting its votes to the Nominee. After collecting the Beneficial Holders' votes, the Nominee should, in turn, complete a Master Ballot compiling the votes and other information from the Beneficial Holders, execute the Master Ballot, and deliver the Master Ballot to the Solicitation Agent so that it is received by the Solicitation Agent at or before the Voting Deadline. All Beneficial Ballots returned by Beneficial Holders should either be forwarded to the Solicitation Agent along with the Master Ballot or retained by the Nominee for inspection for at least one year from the Voting Deadline. **Each Nominee should advise its Beneficial Holders to return their Beneficial Ballots to the Nominee by a date and time calculated by the Nominee to allow it to prepare and return the Master Ballot to the Solicitation Agent so that the Master Ballot is received by the Solicitation Agent on or before the Voting Deadline.**

E. Opt-Out from Releases

The Plan contains the Third-Party Release provisions. If a holder of Claims or Interests votes on the Plan, or does not vote on the Plan, that holder may opt out of the Third-Party Release by checking the box labeled "**Opt out** of the Third-Party Release" that follows the Third-Party Release provisions on the applicable Ballot. Even if a creditor votes to accept the Plan, it may still opt out of the Third-Party Release by checking the opt-out box. If a creditor opts out of consenting to the Third-Party Release, then it will not be a Released Party, even if it would otherwise be entitled to be a Released Party.

Regardless of whether a holder votes on acceptance or rejection of the Plan, it must return its Ballot at or before the Voting Deadline in compliance with the instructions in order to opt out of the Third-Party Release.

F. Withdrawal or Change of Votes

If multiple Ballots are received from the same holder with respect to the same Claim prior to the Voting Deadline, the last properly executed, timely submitted electronic Ballot will be deemed to reflect that voter's intent and will supersede and revoke any prior Ballot. If no such electronic Ballot submission is made, the last properly executed, timely submitted paper Ballot will be deemed to reflect that voter's intent and will supersede and revoke any prior paper Ballot submission. Following the Voting Deadline, a holder may not change its vote in a previously cast Ballot from acceptance to rejection, without first obtaining authority from the Court pursuant to the requirements of and in compliance with Bankruptcy Rule 3018(a).

G. Waivers of Defects and Irregularities

Unless otherwise directed by the Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawal of Ballots will be determined by the Debtors in their sole discretion, which determination will be final and binding. Effective withdrawals of Ballots must be delivered to the Solicitation Agent prior to the Voting Deadline. The Debtors reserve the absolute right to contest the validity of any purported withdrawal. The Debtors also reserve the right to reject any and all Ballots not in proper form or the acceptance of which would, in the opinion of the Debtors or their counsel, be unlawful. The Debtors further reserve the right to waive any defects or irregularities or conditions of delivery as to any particular Ballot or to waive the Voting Deadline as to any particular Ballot, in each case with notice to the Committee and notice to and consent of the First Lien Noteholder Group (consent of the First Lien Noteholder Group not to be unreasonably withheld) and subject to contrary order of the Court. The Debtors' interpretation of the Ballot and its instructions will be final and binding on all parties, unless otherwise ordered by the Court. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Court) determine. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots, nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

The Debtors will note in the Voting Report all defects or irregularities or conditions of delivery that were waived as to any particular Ballot, all Ballots as to which the Voting Deadline was waived, all Ballots that were rejected (along with the reason for rejection), and all opt outs to the Releases.

H. Agreements Upon Furnishing Ballots

The delivery of a Ballot that votes to accept the Plan will constitute the agreement of the corresponding creditor with respect to such Ballot to accept: (a) all of the terms of, and conditions

to, the Solicitation; and (b) the terms of the Plan including the injunction, releases, and exculpations set forth in the Plan.

V. AMENDMENTS TO THE PLAN AND SOLICITATION AND VOTING PROCEDURES

The Debtors may make non-substantive or immaterial changes to the Amended Disclosure Statement, Disclosure Statement Hearing Notice, Plan, Amended Confirmation Hearing Notice, Solicitation Packages, Ballots, Solicitation and Voting Procedures, Tabulation Procedures, and related documents without further order of the Court, including changes to correct typographical and grammatical errors, if any, and to make conforming changes to the Amended Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before distribution. The Debtors shall include information regarding remote attendance at the Confirmation Hearing.

EXHIBIT 2A TO THE PROPOSED ORDER

FORM OF MASTER BALLOT FOR NOTES CLAIMS

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

In re **WESCO AIRCRAFT HOLDINGS, INC.,** *et al.,*[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

MASTER BALLOT
FOR VOTING ON THE MODIFIED
SECOND AMENDED JOINT CHAPTER 11 PLAN
OF WESCO AIRCRAFT HOLDINGS, INC. ET AL.

(NOTES CLAIMS)[2]

Please read and follow the enclosed instructions carefully before completing this Master Ballot.

The votes of your Beneficial Holders will be counted only if this Master Ballot is *actually received* by the Debtors' Solicitation Agent no later than the Voting Deadline of *5:00 p.m. (CT) on September 27, 2024*.

[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 https://veritaglobal.net/incora/. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

[2] This form of Master Ballot is for: Class 4 (1L Notes Claims) and Class 6 (2026 Notes Claims).

The above-captioned debtors and debtors in possession (the "***Debtors***") are soliciting votes on the *Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* ("***Modified Second Amended Plan***")[3] described in the *Amended Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Amended Disclosure Statement***"). The United States Bankruptcy Court for the Southern District of Texas (the "***Court***") has approved the Amended Disclosure Statement as containing adequate information by an order dated [•], 2024 [Docket. No. [•]] (the "***Amended Disclosure Statement Order***"). You are receiving this master ballot (the "***Master Ballot***") because you are a broker, bank, or other nominee, or an agent of a broker, bank, or other nominee (a "***Nominee***") or a proxy holder of a Nominee of certain beneficial holders (the "***Beneficial Holders***") of notes identified on **Schedule 1** hereto (the "***Notes Claims***") as of September 3, 2024 (the "***Voting Record Date***"), which gives your Beneficial Holders the right to vote on the Modified Second Amended Plan. For further information, please contact the Debtors' Solicitation Agent at:

Solicitation Agent:
Kurtzman Carson Consultants LLC dba Verita Global
www.veritaglobal.net/incora/inquiry
(877) 499-4509 (toll-free)
+1 (917) 281-4800 (international)

This Master Ballot may not be used for any purpose other than for transmitting to the Solicitation Agent (a) the votes of your Beneficial Holders with respect to the Modified Second Amended Plan and (b) their elections to opt-out of the Third-Party Releases contained in the Modified Second Amended Plan. If you believe that you received this Master Ballot in error, received a damaged Master Ballot, or lost your Master Ballot, please contact the Solicitation Agent immediately.

You are authorized to collect votes to accept or to reject the Modified Second Amended Plan from your Beneficial Holders in accordance with your customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) a Beneficial Holder Ballot and through online voting, by phone, fax, or other electronic means. Upon the Debtors' request, you are authorized and required to disclose the name and contact information of the Beneficial Holders who submitted a vote on the Modified Second Amended Plan.

To have the votes of your Beneficial Holders count as either an acceptance or rejection of the Modified Second Amended Plan, you must complete and return this Master Ballot so that the Solicitation Agent **actually receives** it on or before the Voting Deadline.

The Voting Deadline is September 27, 2024, at 5:00 p.m. (CT).

[3] Capitalized terms used but not defined in this Master Ballot have the meanings ascribed to them in the Modified Second Amended Plan.

INSTRUCTIONS FOR COMPLETING MASTER BALLOT

If the Solicitation Agent does not *actually receive* your Master Ballot on or before September 27, 2024, at 5:00 p.m. (CT), your Beneficial Holders' votes will be counted only at the discretion of the Debtors unless the Voting Deadline is extended.

WHAT IS HAPPENING? WHAT AM I BEING ASKED TO DO?

The Debtors are soliciting the votes of your Beneficial Holders on the plan of reorganization for Wesco Aircraft Holdings, Inc., and its affiliated debtors described in the Amended Disclosure Statement that you have received. The Modified Second Amended Plan is attached to the Amended Disclosure Statement as **Exhibit A**.

WHEN IS MY MASTER BALLOT DUE?

Your Master Ballot must be ***actually received*** by the Solicitation Agent on or before the Voting Deadline. The Voting Deadline is **September 27, 2024, at 5:00 p.m. (CT)**, unless it is extended. You should distribute Beneficial Holder Ballots to your Beneficial Holders and require their return in sufficient time to assure your timely delivery of this Master Ballot to the Solicitation Agent.

HOW DO I SUBMIT MY MASTER BALLOT?

You may submit your Master Ballot in paper form or electronically by email to IncoraBallots@veritaglobal.com. You may choose either method at your own risk and should allow sufficient time to guarantee delivery by the Voting Deadline. Ballots will ***not*** be accepted by electronic means other than email.

To submit your Master Ballot in paper form, you must complete, sign, and date the Master Ballot and return it (with your original signature) via first-class mail, overnight courier, or hand delivery to the Solicitation Agent at: Incora Ballot Processing, c/o Verita, 222 N. Pacific Coast Hwy., Suite 300, El Segundo, CA 90245. To coordinate hand delivery, email the Solicitation Agent at IncoraBallots@veritaglobal.com to provide the anticipated date and time of delivery. **Be sure to sign and date your Master Ballot** if you submit it in paper form.

WHO SHOULD RECEIVE A BENEFICIAL HOLDER BALLOT?

You should distribute Beneficial Holder Ballots to each Beneficial Holder of notes identified on **Schedule 1** to this Master Ballot as of the Voting Record Date for which you are a Nominee or a proxy holder for a Nominee.

How should I deliver Solicitation Packages to Beneficial Holders and collect votes from them?

You may distribute the Solicitation Packages to Beneficial Holders in accordance with your customary practices. You may also collect votes to accept or to reject the Modified Second Amended Plan from Beneficial Holders in accordance with your customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) a Beneficial Holder Ballot, or through online voting, by phone, or by other electronic means. If you do not have a sufficient number of Solicitation Packages or Beneficial Holder Ballots, you should request additional copies from the Solicitation Agent.

If you are transmitting the votes of any Beneficial Holder other than yourself, you may select either of the following options:

- Within 5 Business Days after you receive the Solicitation Package, "Pre-validate" the individual Beneficial Holder Ballots contained in the Solicitation Package and then forward the Solicitation Packages to your Beneficial Holders with the instruction that the Beneficial Holders must return their Beneficial Holder Ballots directly to the Solicitation Agent in the return envelope to be provided in the Solicitation Package. You may "pre-validate" a Beneficial Holder Ballot by (i) signing the Beneficial Holder Ballot and including your DTC participant number; (ii) indicating the account number of the Beneficial Holder and the Class and principal amount of Claims held by you for such Beneficial Holder; and (iii) forwarding the pre-validated Beneficial Holder Ballot together with the rest of the Solicitation Package to the Beneficial Holder. The Beneficial Holder should then complete the remaining information requested on the Beneficial Holder Ballot and return the Beneficial Holder Ballot directly to the Solicitation Agent. You should maintain a list of the Beneficial Holders to whom you send "pre-validated" Beneficial Holder Ballots for inspection for at least one year from the Effective Date.

  or

- Within 5 Business Days after you receive the Solicitation Package, forward the Solicitation Packages to your Beneficial Holders along with a return envelope provided by and addressed to you. Each Beneficial Holder will then return its Beneficial Holder Ballot to you, and you will tabulate the votes of your Beneficial Holders and their opt-out elections on a Master Ballot and return the Master Ballot to the Solicitation Agent. You should advise the Beneficial Holders to return their Beneficial Holder Ballots (or otherwise transmit their votes) to you by a date calculated to allow you to prepare and return the Master Ballot to the Solicitation Agent so that the Master Ballot is actually received by the Solicitation Agent on or before the Voting Deadline.

How do I tabulate the votes and elections of Beneficial Holders?

You must (a) compile and validate the votes and other relevant information on each Beneficial Holder Ballot returned to you on a Master Ballot using the customer name or account number assigned by you to each applicable Beneficial Holder; (b) execute the Master Ballot;

(c) transmit such Master Ballot to the Solicitation Agent by the Voting Deadline; and (d) retain all Beneficial Holder Ballots you received from your Beneficial Holders, whether in hard copy or by electronic means, in your files for a period of one year after the Effective Date. You may be ordered to produce these Beneficial Holder Ballots (or evidence of the vote otherwise transmitted to you) to the Debtors or the Court.

In completing the Master Ballot, you should indicate that you are signing the Master Ballot in your capacity as a Nominee and, if required or requested by the Solicitation Agent, the Debtors, or the Court, you must submit proper evidence of your authority to act on behalf of your Beneficial Holders.

If you are both the Nominee and the Beneficial Holder of any of the Claims voted through the Master Ballot and you wish to vote your Claims, you may return a Beneficial Holder Ballot or Master Ballot for your Claims. In that case, you must vote your entire Claim in a particular Class to either to accept or reject the Modified Second Amended Plan and may not split your vote.

HOW WILL THE VOTES TRANSMITTED BY MY MASTER BALLOT BE COUNTED?

The votes transmitted through your Master Ballot will be counted only if it is actually received by the Solicitation Agent on or before the Voting Deadline.

If you submit multiple Master Ballots with respect to the same Claims, only the votes transmitted through the last Master Ballot that is received on time and completed properly will be counted; it will supersede and revoke all earlier Master Ballots with respect to the same Claims. However, if you submit valid and timely Master Ballots for the same Claims both in paper form and electronically, only the submission through email will be counted, even if the paper Master Ballot is received later.

Additionally, the following Master Ballots will ***not*** be counted:

- any Master Ballot that is delivered to anyone other than the Solicitation Agent (including the Debtors, the Debtors' legal or financial advisors, the Court, or any agent of the Debtors other than the Solicitation Agent);
- any Master Ballot that is illegible;
- any Master Ballot that contains insufficient information to permit the Solicitation Agent to identify the principal amounts voted within each Class;
- any unsigned Master Ballot;
- any Master Ballot that does not contain an original signature (except that signed Master Ballots submitted by email will be deemed to contain an original signature); and
- any Master Ballot submit by a person that is not a Nominee or a proxy holder for a Nominee.

How will the Solicitation Agent tabulate the votes of my Beneficial Holders?

The following rules apply:

- Votes cast by Beneficial Holders through a Nominee will be applied against the positions held by the Nominee as of the Voting Record Date, as evidenced by the record and depository listings.
- Votes submitted by a Master Ballot or pre-validated Beneficial Holder Ballots will not be counted in excess of the record amount of the Claims held by the applicable Nominee.
- To the extent that conflicting votes or "over-votes" are submitted by a Nominee, whether pursuant to a Master Ballot or pre-validated Beneficial Holder Ballots, the Solicitation Agent will attempt to reconcile discrepancies with the Nominee.
- To the extent that over-votes on a Master Ballot or pre-validated Beneficial Holder Ballots are not reconcilable prior to the preparation of the vote certification, the Solicitation Agent will apply the votes to accept and reject the Modified Second Amended Plan in the same proportion as the votes to accept and reject the Modified Second Amended Plan submitted on the Master Ballot or pre-validated Beneficial Holder Ballots that contained the over-vote, but only to the extent of the Nominee's position in the applicable Claims.
- For purposes of tabulating votes, each holder holding through a particular account will be deemed to have voted the principal amount relating to its holding in that particular account, although the Solicitation Agent may be asked to adjust the principal amount to reflect the claim amount.

I have further questions about my Master Ballot.

If you have any questions about your Master Ballot or the procedures for voting, please call the Solicitation Agent's hotline at (877) 499-4509 (toll-free in the U.S. and Canada) or +1 (917) 281-4800 (international), visit the Debtors' restructuring website at https://veritaglobal.net/incora/, or email the Solicitation Agent at IncoraBallots@veritaglobal.com.

MASTER BALLOT

ITEM 1: CERTIFICATION OF AUTHORITY TO VOTE

You certify that, as of the Voting Record Date, you (please check the applicable box):

☐ are a Nominee for each of the Beneficial Holders of the Notes Claims listed in Item 2 below, and the DTC account holder of the Notes underlying such Claims, or

☐ are acting under a power of attorney and/or agency (a copy of which will be provided upon request) granted by a Nominee that is the DTC account holder of the aggregate principal amount of Notes underlying the Notes Claims listed in Item 2 below, or

☐ have been granted a proxy (an original of which is attached) from a Nominee or a Beneficial Holder that is the DTC account holder of the aggregate principal amount of the Notes underlying the Claims listed in Item 2 below, and accordingly, have full power and authority to vote to accept or reject the Modified Second Amended Plan on behalf of the Beneficial Holders of the Notes Claims set forth in Item 2.

ITEM 2: VOTES ON THE MODIFIED SECOND AMENDED PLAN AND OPT-OUT ELECTIONS

The following votes and opt-out elections of the following Beneficial Holders of Notes Claims, identified by their respective customer account numbers set forth below, are being transmitted through this Master Ballot. I certify that those Beneficial Holders are the Beneficial Holders of the listed Claims as of the Voting Record Date and have delivered to me, as their Nominee, such votes and such elections.

Indicate in the appropriate column below the aggregate principal amount (as of the Voting Record Date) voted for each account or attach that information to this Master Ballot. Please note that each Beneficial Holder must vote all its Claims to accept or reject the Modified Second Amended Plan and may not split its vote. **Any Beneficial Holder Ballot that does not indicate an acceptance or rejection of the Modified Second Amended Plan or that indicates both an acceptance and a rejection of the Modified Second Amended Plan should not be counted**. Indicate whether each Beneficial Holder checked the Third-Party Release opt-out box or left it blank by checking or leaving blank the "opt-out" box on each row.

Your Customer Acct. Number	Customer Name	Principal Amount	Select only one		Third-Party Release Opt-Out
			Accept the Modified Second Amended Plan	Reject the Modified Second Amended Plan	
		$			
Total		$			

ITEM 3: CERTIFICATIONS

By signing this Master Ballot, you certify to the Court and the Debtors that:

1. you have received a copy of the Amended Disclosure Statement, (including the Modified Second Amended Plan and other exhibits) and the rest of the Solicitation Package and have delivered copies of such documents, including the Beneficial Holder Ballots, to each of the Beneficial Holders listed in Item 2 above;

2. you have received a properly completed and signed Beneficial Holder Ballot (or another vote submission in accordance with your customary procedures) from each Beneficial Holder listed in Item 2 above;

3. you are the DTC account holder of the principal amount of Notes underlying the Claims listed in Item 2 above or you have been authorized by each Beneficial Holder of the Claims listed in Item 2 to vote on the Modified Second Amended Plan;

4. no other Master Ballots with respect to the Claims identified in Item 2 have been cast or, if any other Master Ballots have been cast with respect to such Claims, then such Master Ballots are hereby revoked;

5. you have properly disclosed (i) the number of Beneficial Holders who completed the Beneficial Holder Ballots or otherwise conveyed their votes to you; (ii) the respective principal amounts of the Notes held by each such Beneficial Holder; (iii) each such Beneficial Holder's vote on the Modified Second Amended Plan; (iv) each such Beneficial Holder's election with respect to opting out from the Third-Party Releases; and (v) the customer account or other identification number for each such Beneficial Holder; and

6. you will maintain the Beneficial Holder Ballots or other evidence of the votes cast by your Beneficial Holders (whether properly completed or defective) for at least one year after the Effective Date of the Modified Second Amended Plan and will disclose such information to the Court or the Debtors if requested.

Name of Nominee:	_____ (print or type)
DTC Participant No.	_____
Name of Proxy Holder or Agent for Nominee (if applicable):	_____ (print or type)
Signature:	_____
Signatory Name:	_____ (print or type)
Signatory Title:	_____
Address:	_____ _____
Telephone:	_____
Email:	_____
Date Completed:	_____

SCHEDULE 1 TO MASTER BALLOT

Please check one box below to indicate the CUSIP/ISIN to which this Master Ballot pertains (or clearly indicate directly on the Master Ballot):

	Description	Class	CUSIP/ISIN
☐	10.50% 1st Lien Secured Bonds (144A)	4	950814 AA 1 / US950814AA18
☐	10.50% 1st Lien Secured Bonds (AI)	4	950814 AB9 / US950814AB90
☐	10.50% 1st Lien Secured Bonds (REGS)	4	U96085 AA 0 / USU96085AA07
☐	10.50% 1st Lien Secured Bonds (144A)	4	950814 AE3
☐	10.50% 1st Lien Secured Bonds (REGS)	4	U96085 AC6
☐	9.00% Sr Secured Bonds (144A)	6	97789L AB 2 / US97789LAB27
☐	9.00% Sr Secured Bonds (REGS)	6	U9716L AB 2 / USU9716LAB28
☐	9.00% Sr Secured Bonds (AI)	6	97789L AE 6 / US97789LAE64

EXHIBIT 2B TO THE PROPOSED ORDER

FORM OF BENEFICIAL HOLDER BALLOT FOR NOTES CLAIMS

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

BENEFICIAL HOLDER BALLOT FOR VOTING ON THE MODIFIED SECOND AMENDED JOINT CHAPTER 11 PLAN OF WESCO AIRCRAFT HOLDINGS, INC. ET AL.

(NOTES CLAIMS)[2]

Please read and follow the enclosed instructions carefully before completing your Beneficial Holder Ballot.

Your vote will be counted only if it is *actually received* by the Debtors' Solicitation Agent from your broker, bank or other nominee no later than the Voting Deadline of *5:00 p.m. (CT) on September 27, 2024*. Follow the instructions of your broker, bank or other nominee to ensure timely receipt of your vote.

[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 https://veritaglobal.net/incora/. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

[2] This form of Beneficial Holder Ballot is for: Class 4 (1L Notes Claims) and Class 6 (2026 Notes Claims).

The above-captioned debtors (the "***Debtors***") are soliciting votes on the *Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Modified Second Amended Plan***")[3] described in the *Amended Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Amended Disclosure Statement***"). The United States Bankruptcy Court for the Southern District of Texas (the "***Court***") has approved the Amended Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code by an order dated [•], 2024 [Docket. No. [•]]. The Court's approval of the Amended Disclosure Statement does not indicate its approval of the Modified Second Amended Plan.

You are receiving this ballot (the "***Beneficial Holder Ballot***") because you are the beneficial holder of notes identified on **Schedule 1** hereto (the "***Notes Claims***") as of September 3, 2024 (the "***Voting Record Date***"). As such, you have the right to vote to accept or reject the Modified Second Amended Plan and to opt out of the Third-Party Releases contained in the Modified Second Amended Plan. If you hold Claims in more than one Class, you should receive a Beneficial Holder Ballot for each Class in which you are entitled to vote. For further information, please contact the Debtors' Solicitation Agent at:

Solicitation Agent:
Kurtzman Carson Consultants LLC dba Verita Global
www.veritaglobal.net/incora/inquiry
(888) 251-2937 (toll-free)
+1 (310) 751-2613 (international)

Your rights are described in the Amended Disclosure Statement, which is included in the package (the "***Re-Solicitation Package***") that you are receiving with this Ballot. If you received the Solicitation Package in electronic format and desire paper copies of all or some of the materials, or if you need to obtain additional Solicitation Packages, you may obtain them at no charge from Verita Global (the "***Solicitation Agent***") at no charge by: (a) accessing the Debtors' restructuring website with the Solicitation Agent at https://veritaglobal.net/incora/; (b) writing to Incora Ballot Processing Center, c/o Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) calling the Solicitation Agent at (888) 251-2937 (U.S./Canada toll-free) or +1 (310) 751-2613 (international); or (d) submitting an inquiry at http://www.veritaglobal.net/incora/inquiry.

This Beneficial Holder Ballot may not be used for any purpose other than for (a) casting your vote to accept or reject the Modified Second Amended Plan, (b) opting out of the Third-Party Release contained in the Modified Second Amended Plan, and (c) making certain certifications with respect to your vote. If you believe you have received this Beneficial Holder Ballot in error, or if you believe that you have received the wrong Beneficial Holder Ballot, please contact the Solicitation Agent ***immediately*** at the address, telephone number, or email address set forth above.

[3] Capitalized terms used but not defined in this Beneficial Holder Ballot have the meanings ascribed to them in the Modified Second Amended Plan.

You should review the Amended Disclosure Statement and the Modified Second Amended Plan before you vote. You may wish to seek legal advice concerning the Modified Second Amended Plan and the Modified Second Amended Plan's classification and treatment of your Claim.

Depending on the instructions you receive from your Nominee, in order for your vote to count, either (a) your pre-validated Beneficial Holder Ballot must be received by the Solicitation Agent at or before the Voting Deadline, which is September 27, 2024, at 5:00 p.m. (CT) or (b) your Nominee must receive your Beneficial Holder Ballot in sufficient time for your Nominee to be able to submit a Master Ballot reflecting your vote in time for the Solicitation Agent to receive it at or before the Voting Deadline. Please follow your Nominee's instructions to allow sufficient time for your vote to be included on the Master Ballot that your Nominee will deliver to the Solicitation Agent. If either your pre-validated Beneficial Holder Ballot or a Master Ballot recording your vote is not received by the Voting Deadline, and if the Voting Deadline is not extended, your vote will not count.

INSTRUCTIONS FOR COMPLETING BENEFICIAL HOLDER BALLOT

Your vote will be counted only if it is *actually received* by the Debtors' Solicitation Agent no later than the Voting Deadline of 5:00 p.m. (CT) on September 27, 2024. Follow the instructions of Nominee to ensure timely delivery of your vote.

WHAT IS HAPPENING? WHAT AM I BEING ASKED TO VOTE ON?

The Debtors are soliciting your vote on their proposed plan of reorganization, as described further in the Amended Disclosure Statement that you have received in your Re-Solicitation Package.

The Modified Second Amended Plan is attached to the Amended Disclosure Statement as **Exhibit A**. Before voting, please carefully read the Modified Second Amended Plan and the Amended Disclosure Statement. **Please note that Article VIII of the Modified Second Amended Plan includes releases, exculpations, and injunctions.** These provisions affect your rights, **including your rights against persons other than the Debtors**.

WHAT IS THE THIRD-PARTY RELEASE?

The provisions of the Modified Second Amended Plan setting forth the Third-Party Release are quoted in full on this Beneficial Holder Ballot. **If you do not check the opt-out box in Item 3 of your Beneficial Holder Ballot, you will be deemed to have consented to the Third-Party Release and will be deemed to have unconditionally, irrevocably, and permanently released and discharged the Released Parties (as defined in the Modified Second Amended Plan) from, among other things, any and all claims that relate to the Debtors**.

AM I REQUIRED TO ACCEPT THE THIRD-PARTY RELEASE? HOW CAN I OPT OUT?

You are not required to accept the Third-Party Release. You may opt out of the Third-Party Release by checking the opt-out box in Item 3 of your Ballot. The treatment of your Claim under the Modified Second Amended Plan will not be affected in any way if you opt out of the Third-Party Release. If you vote to accept the Modified Second Amended Plan, you will be deemed to have consented to the Third-Party Releases.

WHEN IS MY BENEFICIAL HOLDER BALLOT DUE?

Your vote must be ***actually received*** by the Solicitation Agent at or before the Voting Deadline. The Voting Deadline is **September 27, 2024, at 5:00 p.m. (CT)**, unless it is extended. You are not required to vote but you will be bound by the Modified Second Amended Plan if it is confirmed, regardless of whether or not you cast a Beneficial Holder Ballot.

How do I submit my Beneficial Holder Ballot?

Follow your Nominee's instructions carefully as your vote will be counted only if it is actually received by the Solicitation Agent at or before the Voting Deadline.

Your Nominee may have instructed you to return your Beneficial Holder Ballot to your Nominee. If so, you must follow your Nominee's instructions to ensure that your Nominee can transmit the information on your Beneficial Holder Ballot to the Solicitation Agent at or before the Voting Deadline.

At the request of the Debtors, your Nominee will be required to provide a copy of your Beneficial Holder Ballot.

Alternatively, your Nominee may have directed you to send a "pre-validated" Beneficial Holder Ballot directly to the Solicitation Agent. If so, you must deliver your pre-validated Beneficial Holder Ballot to the Solicitation Agent at or before the Voting Deadline.

If you have received a "pre-validated" Beneficial Holder Ballot from your Nominee, you must complete, sign, and date such Ballot and return it (with your original signature) either (i) via first-class mail, overnight courier, or hand delivery to the Solicitation Agent at Incora Ballot Processing, c/o Verita, 222 N. Pacific Coast Hwy., Suite 300, El Segundo, CA 90245 or (ii) via electronic mail to the Solicitation Agent at IncoraBallots@veritaglobal.com. To coordinate hand delivery, email the Solicitation Agent at IncoraBallots@veritaglobal.com to provide the anticipated date and time of delivery. **Be sure to sign and date your Beneficial Holder Ballot.**

Will my Beneficial Holder Ballot count?

The following Beneficial Holder Ballots will **not** be counted:

- any Beneficial Holder Ballot that purports to partially accept or partially reject the Modified Second Amended Plan;
- any Beneficial Holder Ballot that purports to both accept and reject the Modified Second Amended Plan, or that neither accepts nor rejects the Modified Second Amended Plan;
- any Beneficial Holder Ballot that is delivered to anyone other than your Nominee (other than a pre-validated Beneficial Holder Ballot that is delivered directly to the Solicitation Agent);
- any Beneficial Holder Ballot that is illegible;
- any Beneficial Holder Ballot that contains insufficient information to permit the Solicitation Agent or the applicable Nominee to identify the Holder of the voted Claim;
- any Beneficial Holder Ballot cast by a person or entity that does not hold a Claim in the Class indicated on the front of the Beneficial Holder Ballot;
- any Beneficial Holder Ballot cast by a person that is not entitled to vote pursuant to the Modified Second Amended Plan;

- any unsigned Beneficial Holder Ballot; and
- any non-original Beneficial Holder Ballot (excluding electronic ballots submitted in compliance with a Nominee's instructions).

MAY I SPLIT MY VOTE?

You must vote all of your Claims within a single Class either to accept or reject the Modified Second Amended Plan and may not split your vote. Further, if you have multiple Claims within a Class, the Debtors may, in their discretion, aggregate your Claims within that Class for the purpose of counting votes.

If you have Claims in **different** Classes, you will receive a separate Ballot for each such Class. In that case, each Ballot will apply only to your Claims in the Class indicated on that Ballot, so you must complete and return each Ballot that you receive and may cast different votes with respect to Claims in different Classes. If you are a beneficial holder of a Notes Claim that holds a claim as a record holder in its own name, you will receive a separate Record Holder Ballot with respect to such claims and should follow the instructions set forth therein.

WHAT ARE MY CLAIMS AGAINST THE DEBTORS?

You have received a Beneficial Holder Ballot because your Nominee has determined that you are a beneficial holder of a Claim against the Debtors of the type shown on the front of this Beneficial Holder Ballot. However, your Beneficial Holder Ballot does **not** constitute a proof of claim or an assertion or admission that you hold a Claim against any Debtor.

I HAVE FURTHER QUESTIONS ABOUT MY BENEFICIAL HOLDER BALLOT.

If you have any questions about your Beneficial Holder Ballot or the procedures for voting, please call the Solicitation Agent's hotline at (888) 251-2937 (toll-free in the U.S. and Canada) or +1 (310) 751-2613 (international), or visit the Debtors' restructuring website at: https://veritaglobal.net/incora/.

The Solicitation Agent cannot answer legal questions regarding the Modified Second Amended Plan. For legal assistance (including regarding the Modified Second Amended Plan or the Third-Party Release), please consult your own legal counsel.

BENEFICIAL HOLDER BALLOT

ITEM 1: AMOUNT OF CLAIM

By signing below, you certify that, as of the Voting Record Date, you were the Beneficial Holder of the Notes listed on **Schedule 1** to this Beneficial Holder Ballot, in the following unpaid amount (insert the amount below, unless completed by your Nominee):

Principal Amount: $ _____

ITEM 2: VOTE ON MODIFIED SECOND AMENDED PLAN

You vote to (check only one):

☐ **Accept** (vote **for**) the Modified Second Amended Plan as to each Debtor

☐ **Reject** (vote **against**) the Modified Second Amended Plan as to each Debtor

The Debtors recommend that you vote to accept the Modified Second Amended Plan.

ITEM 3: OPT-OUT OF THIRD-PARTY RELEASE

The Modified Second Amended Plan contains the Third-Party Release set forth below. **If you vote on the Modified Second Amended Plan or do not vote on the Modified Second Amended Plan, you may opt out of the Third-Party Release by checking the box that follows the text of the Third-Party Release**. If you opt out of granting the Third-Party Release as a Releasing Party, you will not be a Released Party, even if you would otherwise be entitled to be a Released Party.

The Third-Party Release provisions of the Modified Second Amended Plan are as follows:

> *Definition of "Released Parties":*
>
> Means, collectively, the Releasing Parties; *provided* that no Excluded Party shall be a Released Party.
>
> *Definition of "Releasing Parties":*
>
> Means, collectively, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each non-Debtor affiliate; (d) each of the Consenting 1L Noteholders, the Consenting 1.25L Noteholders and the Consenting Equity Holders; (e) the Committee and its members; (f) the DIP Purchasers; (g) Wilmington Savings Fund Society, FSB, in its capacity as current and/or former indenture trustee, notes agent and collateral agent, as applicable, under the DIP Notes Purchase Agreement, the 1L Indenture, the 1.25L Indenture,

the Unsecured Notes Indentures, the 2026 Indenture, and the PIK Notes Indenture; (h) BOKF, in its capacity as current and/or former indenture trustee under the Unsecured Notes Indentures and the 2026 Indenture; (i) the ABL Agent and the ABL Lenders; (j) the New Revolver Facility Agent and the New Revolver Facility Lenders; (k) the New Notes Indenture Trustees; (*l*) each holder of Claims or Interests that does not elect to opt out of the Third-Party Release; (m) with respect to each of the Entities in the foregoing clauses (a) through (*l*), each such Entity's current and former Related Parties; *provided* that, if any holder of a Claim or Interest does not elect to opt out of the Third-Party Release in any of its capacities, such holder and each of its Related Parties that is also a holder of a Claim or Interest shall be deemed to have not opted out of the Third-Party Release in all capacities; *provided, further*, that no Excluded Party shall be a Releasing Party. Notwithstanding any of the foregoing, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties. For the avoidance of doubt, in accordance with Dkt. No. 1727, no member of the 2024/2026 Noteholder Group (or any Related Party thereof) shall be a Releasing Party or a Released Party.

Third-Party Release (Article VIII of the Plan):

As of the Effective Date, each of the Releasing Parties (other than the Debtors) shall be deemed to have expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged each of the Released Parties from any and all Causes of Action, including any derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, and any Causes of Action asserted or assertable by or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Releasing Parties (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (a) the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the Global Settlement, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (b) any Restructuring

Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the use of cash collateral authorized under the DIP Orders and the adequate protection granted in connection therewith, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (d) the assumption, rejection, or amendment of any Executory Contract and/or Unexpired Lease; (e) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected through the Restructuring (including pursuant to the Plan) or classified in the Plan; (f) the filing or administration of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; (g) the 2022 Financing Transactions, the Financing Litigation or the settlement thereof, including pursuant to the Global Settlement; or (h) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date arising from or relating to any of the foregoing, including the 1L Indenture, 1.25L Indenture, 2024 Unsecured Indenture, 2026 Indenture, 2027 Unsecured Notes Indenture, the PIK Notes Indenture, or the ABL Credit Agreement and including any amendments to the foregoing and all matters relating thereto (collectively, the "*Covered Released Matters*").

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release (a) to the extent that any Causes of Action against any Releasing Party are not released or discharged pursuant to the Plan, any rights of such Releasing Party to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action (*provided* that, except as set forth in Article V.D.2, no such counterclaims, crossclaims, offsets, indemnities, claims for contribution,

defenses, or similar claims may be asserted against the Debtors, or the Reorganized Debtors or any Released Party to the extent such claims have been released or discharged pursuant to the Plan), (b) any Cause of Action (other than any Cause of Action against the Debtors, the Reorganized Debtors, or any Related Party of the Reorganized Debtors) unknown to such Releasing Party as of the Effective Date that arises out of actual fraud, or gross negligence of an Entity other than such Releasing Party, (c) any Cause of Action against any Excluded Party, (d) any post-Effective Date obligations of any Entity under the Plan, any Restructuring Transaction, any Definitive Document (including those set forth in the Plan Supplement), or other document, instrument or agreement executed to implement the Plan, (e) the right of any Releasing Party to receive any distribution under the Plan or payment of any Cure Claim, or (f) any Cause of Action under or relating to any cooperation agreement entered by holders of 2024 Unsecured Notes and/or 2026 Notes.

For the avoidance of doubt, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties.

If you decline to check the opt-out box in this Item 2, you will be deemed to have consented to the Third-Party Release quoted above and you will be deemed to have unconditionally, irrevocably, and permanently released and discharged the Released Parties from, among other things, any and all claims that relate to the Debtors.

Check the following box **only** if you wish to opt out of the Third-Party Release provisions of the Modified Second Amended Plan:

☐ **Opt out** of the Third-Party Release

ITEM 4: CERTIFICATIONS

By signing this Beneficial Holder Ballot, you certify to the Court and the Debtors that:

- you (or, in the case of an authorized signatory, your principal) have received a copy of the Amended Disclosure Statement (including the Modified Second Amended Plan and other exhibits) and the rest of the Solicitation Package;
- as of the Voting Record Date, you are either (a) the beneficial holder of the Notes underlying the Claims listed in Item 1 or (b) an authorized signatory for such beneficial holder;

- you (or, in the case of an authorized signatory, your principal) have cast the same vote with respect to all of your (or your principal's) Claims in the Class that is the subject of this Beneficial Holder Ballot;
- no other Beneficial Holder Ballots with respect to the Notes identified in Item 1 have been cast or, if any other Beneficial Holder Ballots have been cast with respect to such Notes, then any such Beneficial Holder Ballots are hereby revoked; and
- you understand that your Nominee is required to disclose to the Debtors your name (or, as applicable, the name of your principal), your (or your principal's) holdings of Notes Claims, and your contact information.

Name of Beneficial Holder:	_____ (print or type)
Signature:	_____
Signatory Name:	_____ (print or type)
Signatory Title:	_____
Address:	_____
	_____
Telephone:	_____
Email:	_____
Date Completed:	_____

SCHEDULE 1 TO BENEFICIAL HOLDER BALLOT

Your Nominee may have checked a box below to indicate the Class and CUSIP/ISIN to which this Beneficial Holder Ballot pertains, or otherwise provided that information to you on a label or schedule attached to the Beneficial Holder Ballot.

	Description	Class	CUSIP/ISIN
☐	10.50% 1st Lien Secured Bonds (144A)	4	950814 AA 1 / US950814AA18
☐	10.50% 1st Lien Secured Bonds (AI)	4	950814 AB9 / US950814AB90
☐	10.50% 1st Lien Secured Bonds (REGS)	4	U96085 AA 0 / USU96085AA07
☐	10.50% 1st Lien Secured Bonds (144A)	4	950814 AE 3
☐	10.50% 1st Lien Secured Bonds (REGS)	4	U96085 AC 6
☐	9.00% Sr Secured Bonds (144A)	6	97789L AB 2 / US97789LAB27
☐	9.00% Sr Secured Bonds (REGS)	6	U9716L AB 2 / USU9716LAB28
☐	9.00% Sr Secured Bonds (AI)	6	97789L AE 6 / US97789LAE65

EXHIBIT 2C TO THE PROPOSED ORDER

FORM OF RECORD HOLDER BALLOT FOR NOTES CLAIMS

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

BALLOT
FOR VOTING ON THE MODIFIED SECOND AMENDED JOINT CHAPTER 11 PLAN OF WESCO AIRCRAFT HOLDINGS, INC. ET AL.

(RECORD HOLDER BALLOT FOR 1L NOTES CLAIMS)

Please read and follow the enclosed instructions carefully before completing your Ballot.

Your vote will be counted only if this Ballot is completed, executed, and *actually received* by the Debtors' Solicitation Agent no later than the Voting Deadline of *5:00 p.m. (CT) on September 27, 2024*.

[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 https://www.veritaglobal.net/incora. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

The above-captioned debtors (the "***Debtors***") are soliciting votes on the *Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Modified Second Amended Plan***")[2] described in the *Amended Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* (the "***Amended Disclosure Statement***"). The United States Bankruptcy Court for the Southern District of Texas (the "***Court***") has approved the Amended Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code by an order dated [•], 2024 [Docket. No. [•]]. The Court's approval of the Amended Disclosure Statement does not indicate its approval of the Modified Second Amended Plan.

You are receiving this ballot (the "***Registered Holder Ballot***") because you are the registered holder of notes identified in **Item 1** (the "***Class 4–1L Notes Claims***") as of September 3, 2024 (the "***Voting Record Date***"). As such, you have the right to vote to accept or reject the Modified Second Amended Plan and to opt out of the Third-Party Releases contained in the Modified Second Amended Plan. If you hold Claims in more than one Class, you should receive a Record Holder Ballot for each Class in which you are entitled to vote. For further information, please contact the Debtors' Solicitation Agent at:

Solicitation Agent:
Kurtzman Carson Consultants LLC dba Verita Global
www.veritaglobal.net/incora/inquiry
(877) 499-4509 (toll-free)
+1 (917) 281-4800 (international)

Your rights are described in the Amended Disclosure Statement, which is included in the package (the "***Re-Solicitation Package***") that you are receiving with this Ballot. If you received the Solicitation Package in electronic format and desire paper copies of all or some of the materials, or if you need to obtain additional Solicitation Packages, you may obtain them at no charge from Verita Global (the "***Solicitation Agent***") at no charge by: (a) accessing the Debtors' restructuring website with the Solicitation Agent at https://veritaglobal.net/incora/; (b) writing to Incora Ballot Processing Center, c/o Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; (c) calling the Solicitation Agent at (877) 499-4509 (U.S./Canada toll-free) or +1 (917) 281-4800 (international); or (d) submitting an inquiry at http://www.veritaglobal.net/incora/inquiry.

This Registered Holder Ballot may not be used for any purpose other than for (a) casting your vote to accept or reject the Modified Second Amended Plan, (b) opting out of the Third-Party Release contained in the Modified Second Amended Plan, and (c) making certain certifications with respect to your vote. If you believe you have received this Record Holder Ballot in error, or if you believe that you have received the wrong Registered Holder Ballot, please contact the Solicitation Agent ***immediately*** at the address, telephone number, or email address set forth above.

[2] Capitalized terms used but not defined in this Record Holder Ballot have the meanings ascribed to them in the Modified Second Amended Plan.

You should review the Amended Disclosure Statement and the Modified Second Amended Plan before you vote. You may wish to seek legal advice concerning the Modified Second Amended Plan and the Modified Second Amended Plan's classification and treatment of your Claim.

You must submit a Registered Holder Ballot reflecting your vote in time for the Solicitation Agent to receive it at or before the Voting Deadline. If your vote is not received by the Voting Deadline, and if the Voting Deadline is not extended, your vote will not count.

INSTRUCTIONS FOR COMPLETING BALLOT

If the Solicitation Agent does not *actually receive* your Ballot on or before September 27, 2024, at 5:00 p.m. (CT), your vote will be counted only at the discretion of the Debtors unless the Voting Deadline is extended.

WHAT IS HAPPENING? WHAT AM I BEING ASKED TO VOTE ON?

The Debtors are soliciting your vote on their proposed plan of reorganization, as described further in the Amended Disclosure Statement that you have received in your Re-Solicitation Package.

The Modified Second Amended Plan is attached to the Amended Disclosure Statement as **Exhibit A**. Before voting, please carefully read the Modified Second Amended Plan and the Amended Disclosure Statement. **Please note that Article VIII of the Modified Second Amended Plan includes releases, exculpations, and injunctions.** These provisions affect your rights, **including your rights against persons other than the Debtors**.

WHAT IS THE THIRD-PARTY RELEASE?

The provisions of the Modified Second Amended Plan setting forth the Third-Party Release are quoted in full on this Record Holder Ballot. **If you vote on the Modified Second Amended Plan, or if you do not check the opt-out box in Item 2 of your Record Holder Ballot, you will be deemed to have consented to the Third-Party Release and will be deemed to have unconditionally, irrevocably, and permanently released and discharged the Released Parties (as defined in the Modified Second Amended Plan) from, among other things, any and all claims that relate to the Debtors**.

AM I REQUIRED TO ACCEPT THE THIRD-PARTY RELEASE? HOW CAN I OPT OUT?

You are not required to accept the Third-Party Release. You may opt out of the Third-Party Release by (a) voting on the Modified Second Amended Plan or declining to vote on the Modified Second Amended Plan **and** (b) checking the opt-out box in Item 2 of your Ballot. The treatment of your Claim under the Modified Second Amended Plan will not be affected in any way if you opt out of the Third-Party Release. If you vote to accept the Modified Second Amended Plan, you will be deemed to have consented to the Third-Party Releases.

WHEN IS MY BALLOT DUE?

Your vote must be ***actually received*** by the Solicitation Agent at or before the Voting Deadline. The Voting Deadline is **September 27, 2024, at 5:00 p.m. (CT)**, unless it is extended. You are not required to vote but you will be bound by the Modified Second Amended Plan if it is confirmed, regardless of whether or not you cast a Record Holder Ballot.

How do I submit my Ballot?

You may submit your Ballot in paper form or electronically to the Solicitation Agent via electronic mail at IncoraBallots@veritaglobal.com, as further described below. You may choose either method at your own risk and should allow sufficient time for timely delivery by the Voting Deadline. Ballots will **not** be accepted by fax or other means.

To submit your Ballot in paper form, you must complete, sign, and date the Ballot and return it (with the original signature) via first-class mail, overnight courier, or hand delivery to the Solicitation Agent at: Incora Ballot Processing, c/o Verita Global, 222 N. Pacific Coast Hwy., Suite 300, El Segundo, CA 90245. To coordinate hand delivery, email the Solicitation Agent at http://www.veritaglobal.net/incora/inquiry to provide the anticipated date and time of delivery. **Be sure to sign and date your Ballot.**

To submit your Ballot electronically, please email your ballot to **IncoraBallots@veritaglobal.com**.

Why am I entitled to cast a Ballot?

You have received your Ballot because the Solicitation Agent has information that you may be a holder of Notes Claims that holds Claims as a record holder in its own name.

Will my Ballot count?

Your Ballot will be counted only if it is ***actually received*** by the Solicitation Agent on or before the Voting Deadline. If you submit multiple Ballots with respect to the same Claim, only the last Ballot that is received on time and completed properly will be counted; it will supersede and revoke all earlier Ballots with respect to the same Claim. However, if you submit valid and timely Ballots for the same Claim both in paper form and electronically, only the Ballot submitted through the electronically will be counted, even if the paper Ballot is received later.

Additionally, the following Ballots will **not** be counted:

- any Ballot that purports to partially accept or partially reject the Plan;
- any Ballot that purports to both accept and reject the Plan, or that neither accepts nor rejects the Plan;
- any Ballot that is delivered to anyone other than the Solicitation Agent (including the Debtors, the Debtors' legal or financial advisors, the Court, or any agent of the Debtors other than the Solicitation Agent);
- any Ballot that is illegible;
- any Ballot that contains insufficient information to permit the Solicitation Agent to identify the holder of the voted Claim;
- any Ballot cast by a person or entity that does not hold a Claim in the Class indicated on the front of the Ballot;

- any Ballot cast by a Holder that is not entitled to vote;
- any unsigned Ballot;
- any non-original Ballot (excluding electronic ballots submitted through the E-Ballot Portal).

MAY I SPLIT MY VOTE?

You must vote all of your Claims within a single Class either to accept or reject the Plan and may not split your vote. Further, if you have multiple Claims within a Class, the Debtors may, in their discretion, aggregate your Claims within that Class for the purpose of counting votes.

If you have Claims in **different** Classes, you will receive a separate Ballot for each such Class. In that case, each Ballot will apply only to your Claims in the Class indicated on that Ballot, so you must complete and return each Ballot that you receive and may cast different votes with respect to Claims in different Classes.

WHAT ARE MY CLAIMS AGAINST THE DEBTORS?

You have received a Ballot because the Solicitation Agent has information suggesting that you may hold a Claim against a Debtor of the type shown on the front of the Ballot. However, your Ballot does **not** constitute a proof of claim or an assertion or admission that you hold a Claim against any Debtor.

I HAVE FURTHER QUESTIONS ABOUT MY BALLOT.

If you have any questions about your Ballot or the procedures for voting, please call the Solicitation Agent's hotline at (877) 499-4509 (toll-free in the U.S. and Canada) or +1 (917) 281-4800 (international), or visit the Debtors' restructuring website at: https://www.veritaglobal.net/incora.

The Solicitation Agent cannot answer legal questions regarding the Plan. For legal assistance (including regarding the Plan or the Third-Party Release), please consult your own legal counsel.

BALLOT FOR RECORD HOLDERS OF NOTES CLAIMS

ITEM 1: AMOUNT OF CLAIM

By signing below, you certify that, as of the Voting Record Date, you were the record holder of Notes Claims of the following type and in the following principal amount:

Notes	Principal Amount
1L Notes Claim	**$[•]**

ITEM 2: VOTE ON PLAN

You vote to (check only one):

☐ **Accept** (vote **for**) the Modified Second Amended Plan as to each Debtor

☐ **Reject** (vote **against**) the Modified Second Amended Plan as to each Debtor

The Debtors recommend that you vote to accept the Modified Second Amended Plan.

ITEM 3: OPT-OUT OF THIRD-PARTY RELEASE

The Modified Second Amended Plan contains the Third-Party Release set forth below. **You may opt out of the Third-Party Release by checking the box that follows the text of the Third-Party Release**. If you opt out of granting the Third-Party Release as a Releasing Party, you will not be a Released Party, even if you would otherwise be entitled to be a Released Party.

The Third-Party Release provisions of the Modified Second Amended Plan are as follows:

> *Definition of "Released Parties":*
>
> Means, collectively, the Releasing Parties; *provided* that no Excluded Party shall be a Released Party.
>
> *Definition of "Releasing Parties":*
>
> Means, collectively, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each non-Debtor affiliate; (d) each of the Consenting 1L Noteholders, the Consenting 1.25L Noteholders and the Consenting Equity Holders; (e) the Committee and its members; (f) the DIP Purchasers; (g) Wilmington Savings

Fund Society, FSB, in its capacity as current and/or former indenture trustee, notes agent and collateral agent, as applicable, under the DIP Notes Purchase Agreement, the 1L Indenture, the 1.25L Indenture, the Unsecured Notes Indentures, the 2026 Indenture, and the PIK Notes Indenture; (h) BOKF, in its capacity as current and/or former indenture trustee under the Unsecured Notes Indentures and the 2026 Indenture; (i) the ABL Agent and the ABL Lenders; (j) the New Revolver Facility Agent and the New Revolver Facility Lenders; (k) the New Notes Indenture Trustees; (*l*) each holder of Claims or Interests that does not elect to opt out of the Third-Party Release; (m) with respect to each of the Entities in the foregoing clauses (a) through (*l*), each such Entity's current and former Related Parties; *provided* that, if any holder of a Claim or Interest does not elect to opt out of the Third-Party Release in any of its capacities, such holder and each of its Related Parties that is also a holder of a Claim or Interest shall be deemed to have not opted out of the Third-Party Release in all capacities; *provided, further*, that no Excluded Party shall be a Releasing Party. Notwithstanding any of the foregoing, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties. For the avoidance of doubt, in accordance with Dkt. No. 1727, no member of the 2024/2026 Noteholder Group (or any Related Party thereof) shall be a Releasing Party or a Released Party.

Third-Party Release (Article VIII of the Plan):

As of the Effective Date, each of the Releasing Parties (other than the Debtors) shall be deemed to have expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged each of the Released Parties from any and all Causes of Action, including any derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, and any Causes of Action asserted or assertable by or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Releasing Parties (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (a) the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the Global Settlement, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement,

the Definitive Documents, the DIP Financing, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the use of cash collateral authorized under the DIP Orders and the adequate protection granted in connection therewith, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (d) the assumption, rejection, or amendment of any Executory Contract and/or Unexpired Lease; (e) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected through the Restructuring (including pursuant to the Plan) or classified in the Plan; (f) the filing or administration of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; (g) the 2022 Financing Transactions, the Financing Litigation or the settlement thereof, including pursuant to the Global Settlement; or (h) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date arising from or relating to any of the foregoing, including the 1L Indenture, 1.25L Indenture, 2024 Unsecured Indenture, 2026 Indenture, 2027 Unsecured Notes Indenture, the PIK Notes Indenture, or the ABL Credit Agreement and including any amendments to the foregoing and all matters relating thereto (collectively, the "*Covered Released Matters*").

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release (a) to the extent that any Causes of Action against any Releasing Party are not

released or discharged pursuant to the Plan, any rights of such Releasing Party to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action (*provided* that, except as set forth in Article V.D.2, no such counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, or similar claims may be asserted against the Debtors, or the Reorganized Debtors or any Released Party to the extent such claims have been released or discharged pursuant to the Plan), (b) any Cause of Action (other than any Cause of Action against the Debtors, the Reorganized Debtors, or any Related Party of the Reorganized Debtors) unknown to such Releasing Party as of the Effective Date that arises out of actual fraud, or gross negligence of an Entity other than such Releasing Party, (c) any Cause of Action against any Excluded Party, (d) any post-Effective Date obligations of any Entity under the Plan, any Restructuring Transaction, any Definitive Document (including those set forth in the Plan Supplement), or other document, instrument or agreement executed to implement the Plan, (e) the right of any Releasing Party to receive any distribution under the Plan or payment of any Cure Claim, or (f) any Cause of Action under or relating to any cooperation agreement entered by holders of 2024 Unsecured Notes and/or 2026 Notes.

For the avoidance of doubt, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties.

If you decline to check the opt-out box in this Item 2, you will be deemed to have consented to the Third-Party Release quoted above and you will be deemed to have unconditionally, irrevocably, and permanently released and discharged the Released Parties from, among other things, any and all claims that relate to the Debtors.

Check the following box **only** if you wish to opt out of the Third-Party Release provisions of the Modified Second Amended Plan:

☐ **Opt out** of the Third-Party Release

Item 4: Certifications

By signing this Ballot, you certify to the Court and the Debtors that:

- you (or, in the case of an authorized signatory, your principal) have received a copy of the Disclosure Statement (including the Plan and other exhibits) and the rest of the Solicitation Package;
- as of the Voting Record Date, you are either (a) the record holder of the Notes Claim listed in Item 1 or (b) an authorized signatory for such record holder;
- you (or, in the case of an authorized signatory, your principal) have cast the same vote with respect to all of your (or your principal's) Notes Claims for which you are the record holder;
- no other Ballots with respect to the Notes Claims identified in Item 1 have been cast or, if any other Ballots have been cast with respect to such Notes Claims, any such Ballots are hereby revoked.

Name of Holder: _____
(print or type)

Signature: _____

Signatory Name: _____
(print or type)

Signatory Title: _____

Address: _____

_____

Telephone: _____

Email: _____

Date Completed: _____

EXHIBIT 3 TO THE PROPOSED ORDER

AMENDED CONFIRMATION HEARING NOTICE

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

In re **WESCO AIRCRAFT HOLDINGS, INC.**, *et al.*,[1] Debtors.	Case No. 23-90611 (MI) Chapter 11 (Jointly Administered)

NOTICE OF HEARING TO CONSIDER CONFIRMATION OF THE MODIFIED SECOND AMENDED CHAPTER 11 PLAN FILED BY THE DEBTORS AND RELATED DEADLINES

PLEASE TAKE NOTICE THAT on January 12, 2024, the Debtors filed the *Modified First Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Docket No. 1223] (the "***Modified First Amended Plan***"). By order of the United States Bankruptcy Court for the Southern District of Texas (the "***Court***"), the Debtors solicited the votes of certain claimants on the Modified First Amended Plan from January 18, 2024 to May 3, 2024. The Debtors subsequently filed the *Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Docket No. 1980] (as may be amended, supplemented, or otherwise modified from time to time). On August 23, 2024, the Debtors filed the *Second Modified Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.*, (the "***Modified Second Amended Plan***") [Docket No. [•]]. Among other things, the Modified Second Amended Plan alters the proposed distributions to certain classes of creditors, including the 1L Notes Claims (Class 4) and the 2026 Notes Claims (Class 6).

PLEASE TAKE NOTICE THAT on [•], 2024, the Court entered an order [Docket. No. [•]] (the "***Amended Disclosure Statement Order***") that, among other things: (a) approved the *Disclosure Statement for the Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al.* [Docket. No. [•]] (the "***Amended Disclosure Statement***") as containing

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

"adequate information" pursuant to section 1125(a) of title 11 of the United States Bankruptcy Code (the "***Bankruptcy Code***"); and (b) authorized the above-captioned debtors and debtors in possession (the "***Debtors***") to solicit acceptances of the Modified Second Amended Plan.[2]

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider confirmation of the Plan (the "***Confirmation Hearing***") will commence on **October 7, 2024, at 9:00 a.m. (CT)** before the Honorable Marvin Isgur, in the United States Bankruptcy Court for the Southern District of Texas, Courtroom 404, 515 Rusk, Houston, TX 77002. The Confirmation Hearing may be continued from time to time without further notice other than by an announcement in open Court or a notice filed on the Court's docket and served on all parties entitled to the notice. Parties may appear at the Confirmation Hearing in-person or by remote participation. For those parties who wish to participate remotely, the audio communication will be by use of the Court's dial-in facility. You may access the facility at 1 (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Isgur's conference room number is 954554. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Isgur's home page (https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-marvin-isgur). The meeting code is "JudgeIsgur". Click the settings icon in the upper right corner and enter your name under the personal information setting.

PLEASE TAKE FURTHER NOTICE THAT the Modified Second Amended Plan may be modified, if necessary, pursuant to section 1127 of the Bankruptcy Code, before, during or as a result of the Confirmation Hearing, without further notice to interested parties.

PLEASE TAKE FURTHER NOTICE THAT the deadline for filing objections to the Modified Second Amended Plan (including with regard to the treatment of Executory Contracts and Unexpired Leases thereunder) is **September 13, 2024, at 5:00 p.m. (CT)** (the "***Confirmation Objection Deadline***"). Any objection to the Modified Second Amended Plan **must**: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) set forth the name and address of the objecting party and the nature and amount of Claims or Interests held or asserted by the objecting party; (d) state, with particularity, the legal and factual basis for the objection; and (e) be filed with the Court on or before the **Confirmation Objection Deadline**.

PLEASE TAKE FURTHER NOTICE THAT holders of Claims entitled to vote on the Modified Second Amended Plan will receive (i) copies of the Disclosure Statement Order and the Amended Disclosure Statement (including the Modified Second Amended Plan and certain exhibits thereto), (ii) this notice, and (iii) a Ballot, together with a pre-addressed postage pre-paid envelope to be used by them in voting to accept or to reject the Modified Second Amended Plan and opting out of the Third-Party Releases contained in the Modified Second Amended Plan. Failure to follow the instructions set forth on a Ballot may disqualify that Ballot and any vote or election attempted to be cast through the Ballot.

[2] Capitalized terms not otherwise defined herein have the meanings set forth in the Modified Second Amended Plan, the Amended Disclosure Statement, or the Amended Disclosure Statement Order, as applicable.

PLEASE TAKE FURTHER NOTICE THAT the date for determining which holders of Claims are entitled to vote on the Modified Second Amended Plan is September 3, 2024 (the "***Voting Record Date***").

PLEASE TAKE FURTHER NOTICE THAT the deadline for eligible creditors to vote on the Modified Second Amended Plan or opt out of the Third-Party Releases is **September 27, 2024, at 5:00 p.m. (CT)** (the "***Voting Deadline***"). To vote on the Modified Second Amended Plan or opt out of the Third-Party Releases, you must: (a) follow the instructions on your Ballot carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is actually received by the Debtors' solicitation agent, Kurtzman Carson Consultants LLC d/b/a Verita Global (the "***Solicitation Agent***") on or before the Voting Deadline. If you believe you are entitled to vote on the Modified Second Amended Plan, but have not received a Ballot, please contact the Solicitation Agent immediately.

PLEASE TAKE FURTHER NOTICE THAT additional copies of the Amended Disclosure Statement, including the Modified Second Amended Plan, or any other solicitation materials (except for Ballots) are available free of charge on the Debtors' case information website (https://www.veritaglobal.net/incora) or from the Solicitation Agent at (877) 499-4509 (U.S./Canada) or +1 (917) 281-4800 (international) or by writing the Solicitation Agent at Incora Ballot Processing Center, c/o Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245. Please be advised that the Solicitation Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Modified Second Amended Plan.

PLEASE TAKE FURTHER NOTICE THAT Article VIII of the Modified Second Amended Plan contains certain releases, exculpations and injunctions. These provisions affect your rights, including your rights against persons other than the Debtors. The Third-Party Release provisions are quoted below in full. If you are a holder of a Claim against or Interest in the Debtors, you may opt out from the Third-Party Release provisions by timely returning a Ballot or a form attached to a Notice of Non-Voting Status. If you wish to opt out of the Third-Party Release provisions and have not received a Ballot or a Notice of Non-Voting Status, please contact the Solicitation Agent ***immediately*** through the website or phone number in the previous paragraph.

Article VIII of the Modified Second Amended Plan provides for the following release by Holders of Claims or Interests ("*Third-Party Release*"):

> **As of the Effective Date, each of the Releasing Parties (other than the Debtors) shall be deemed to have expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged each of the Released Parties from any and all Causes of Action, including any derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, and any Causes of Action asserted or assertable by or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or**

unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Releasing Parties (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (a) the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the Global Settlement, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Definitive Documents, the DIP Financing, the use of cash collateral authorized under the DIP Orders and the adequate protection granted in connection therewith, the New Exit Notes, the New Takeback Notes, the New Revolver Facility, the New Common Equity, the Disclosure Statement, or the Plan, including the Plan Supplement; (c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (d) the assumption, rejection, or amendment of any Executory Contract and/or Unexpired Lease; (e) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected through the Restructuring (including pursuant to the Plan) or classified in the Plan; (f) the filing or administration of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; (g) the 2022 Financing Transactions, the Financing Litigation or the settlement thereof, including pursuant to the Global Settlement; or (h) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date arising from or relating to any of the foregoing, including the 1L Indenture, 1.25L Indenture, 2024

Unsecured Indenture, 2026 Indenture, 2027 Unsecured Notes Indenture, the PIK Notes Indenture, or the ABL Credit Agreement and including any amendments to the foregoing and all matters relating thereto (collectively, the "*Covered Released Matters*").

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release (a) to the extent that any Causes of Action against any Releasing Party are not released or discharged pursuant to the Plan, any rights of such Releasing Party to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action (*provided* that, except as set forth in Article V.D.2, no such counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, or similar claims may be asserted against the Debtors, or the Reorganized Debtors or any Released Party to the extent such claims have been released or discharged pursuant to the Plan), (b) any Cause of Action (other than any Cause of Action against the Debtors, the Reorganized Debtors, or any Related Party of the Reorganized Debtors) unknown to such Releasing Party as of the Effective Date that arises out of actual fraud, or gross negligence of an Entity other than such Releasing Party, (c) any Cause of Action against any Excluded Party, (d) any post-Effective Date obligations of any Entity under the Plan, any Restructuring Transaction, any Definitive Document (including those set forth in the Plan Supplement), or other document, instrument or agreement executed to implement the Plan, (e) the right of any Releasing Party to receive any distribution under the Plan or payment of any Cure Claim, or (f) any Cause of Action under or relating to any cooperation agreement entered by holders of 2024 Unsecured Notes and/or 2026 Notes.

For the avoidance of doubt, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties..

Definition of "Released Parties":

Means, collectively, the Releasing Parties; *provided* that no Excluded Party shall be a Released Party.

Definition of "Releasing Parties":

Means, collectively, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each non-Debtor affiliate; (d) each of the Consenting 1L Noteholders, the Consenting 1.25L Noteholders and the Consenting Equity Holders; (e) the Committee and its members; (f) the DIP Purchasers; (g) Wilmington Savings

> Fund Society, FSB, in its capacity as current and/or former indenture trustee, notes agent and collateral agent, as applicable, under the DIP Notes Purchase Agreement, the 1L Indenture, the 1.25L Indenture, the Unsecured Notes Indentures, the 2026 Indenture, and the PIK Notes Indenture; (h) BOKF, in its capacity as current and/or former indenture trustee under the Unsecured Notes Indentures and the 2026 Indenture; (i) the ABL Agent and the ABL Lenders; (j) the New Revolver Facility Agent and the New Revolver Facility Lenders; (k) the New Notes Indenture Trustees; (*l*) each holder of Claims or Interests that does not elect to opt out of the Third-Party Release; (m) with respect to each of the Entities in the foregoing clauses (a) through (*l*), each such Entity's current and former Related Parties; *provided* that, if any holder of a Claim or Interest does not elect to opt out of the Third-Party Release in any of its capacities, such holder and each of its Related Parties that is also a holder of a Claim or Interest shall be deemed to have not opted out of the Third-Party Release in all capacities; *provided, further*, that no Excluded Party shall be a Releasing Party. Notwithstanding any of the foregoing, Langur Maize shall be deemed to have opted out of the Third-Party Release and shall not be Releasing Parties or Released Parties. For the avoidance of doubt, in accordance with Dkt. No. 1727, no member of the 2024/2026 Noteholder Group (or any Related Party thereof) shall be a Releasing Party or a Released Party.

Article VIII of the Modified Second Amended Plan provides for an injunction (the "*Injunction*"):

> **Upon entry of the Confirmation Order, all Persons and Entities shall be enjoined from taking any actions to interfere with the implementation or consummation of this Plan, or the vesting of the Estates' assets in, and the enjoyment of such assets by, the Reorganized Debtors pursuant to this Plan.**
>
> **Except as otherwise expressly provided in this Plan or in the Confirmation Order, all Persons and Entities are permanently enjoined, from and after the Effective Date, from commencing or continuing any action, the employment of process, or any other act, to pursue, collect, recover or offset any Claim, Interest, debt, obligation or Cause of Action that has been extinguished, discharged, released or made subject to exculpation under this Plan (the "*Covered Matters*"), whether against the Debtors, the Reorganized Debtors, (solely with respect to the Releasing Parties) the Released Parties, or the Exculpated Parties (the "*Covered Entities*"). The acts enjoined by the foregoing injunction include any act to:**
>
> **1. enforce, attach, collect, or recover by any manner or means any judgment, award, decree, or order against a Covered Entity or any of the property or interests in**

property of a Covered Entity on account of or in connection with or with respect to any Covered Matter;

2. **create, renew, perfect, or enforce any lien or encumbrance of any kind against a Covered Entity or any of the property or interests in property of a Covered Entity on account of or in connection with or with respect to any Covered Matter; or**

3. **assert any right of setoff, subrogation, or recoupment of any kind against any obligation due from a Covered Entity or from any of the property or interests in property of a Covered Entity on account of or in connection with or with respect to any Covered Matter, unless the Person or Entity holding such setoff, subrogation or recoupment right has asserted such a right and has expressly stated its intent to preserve its right in a document filed with the Bankruptcy Court and served on the Debtors and the applicable Covered Entity no later than the earlier of (x) 28 days after entry of the Confirmation Order and (y) the Effective Date.**

Without limiting the generality of the foregoing, no Entity shall treat, or cause any other Entity to treat, any stock (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code of 1986, as amended) of any Debtor held by any 50-Percent Shareholder as "becoming worthless" (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code of 1986, as amended), with respect to any taxable year ending prior to the Effective Date.

With respect to any Covered Entity, no Entity or Person may commence or continue any action, employ any process, or take any other act to pursue, collect, recover or offset any Claim, Interest, debt, obligation, or Cause of Action relating or reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Covered Released Matter, Covered Matter, or Covered Exculpation Matter (including one that alleges the actual fraud, gross negligence, or willful misconduct of a Covered Entity), unless expressly authorized by the Bankruptcy Court after (1) it determines that, after notice and a hearing, such Claim, Interest, debt, obligation, or Cause of Action is colorable and (2) it specifically authorizes such Entity or Person to bring such Claim or Cause of Action. The Bankruptcy Court shall have sole and exclusive jurisdiction to determine whether any such Claim, Interest, debt, obligation, or Cause of Action is colorable and, only to the extent legally permissible and as provided for in Article XI, shall have jurisdiction to adjudicate such underlying colorable Claim,

Interest, debt, obligation, or Cause of Action. Notwithstanding the foregoing, this paragraph shall not apply to the Langur Maize Retained Causes of Action.

Notwithstanding anything to the contrary in the foregoing, the injunction does not enjoin any Entity from bringing an action to enforce the terms of this Plan, the Confirmation Order, any other Definitive Document, or other document, instrument, or agreement executed to implement this Plan, the Confirmation Order or any other Definitive Document. The injunctions set forth in this Article VIII.G shall extend to any successors of the Debtors, the Reorganized Debtors, the Released Parties, the Exculpated Parties and all of their respective property and interests in property.

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Dated: August [•], 2024

Sincerely,

/s/

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