Docket #2063 Date Filed: 09/04/2024

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

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

RESERVATION OF RIGHTS OF UMB BANK, N.A., AS SUCCESSOR INDENTURE TRUSTEE FOR THE 8.5% NOTES DUE 2024 AND 9.0% NOTES DUE 2026, TO APPROVAL OF THE DISCLOSURE STATEMENT FOR THE MODIFIED SECOND AMENDED JOINT CHAPTER 11 PLAN OF WESCO AIRCRAFT HOLDINGS, INC. ET AL AND RELATED RELIEF

[RELATES TO DOCKET NO. 2030]

[1]A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at http://www.kccllc.net/incora/. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

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UMB Bank, N.A., as successor indenture trustee for the 2024 and 2026 Notes described more fully below (the "2024/2026 Notes Trustee") respectfully submits this statement and reservation of rights to the *"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"* [Docket No. 2030] (the "Disclosure Statement Motion") and the related *"Disclosure Statement for the Modified Second Amended Joint Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al."* [Docket No. 2029] (the "Disclosure Statement") and *"Modified Second Amended Chapter 11 Plan of Wesco Aircraft Holdings, Inc. et al."* [Docket No. 2027] (the "Plan") as each has been and may be amended and modified.

RESERVATION OF RIGHTS

The 2024/2026 Notes Trustee files this reservation of rights as the current Disclosure Statement and Plan continue to describe treatment for the Debtors' 8.5% notes due 2024 and 9.0% notes due 2026 (collectively, the "2024 and 2026 Notes") that falls short of the Debtors' obligations under the Bankruptcy Code and other applicable law.

All parties are keenly aware that a pending adversary proceeding involving the 2024 and 2026 Notes (among other obligations) under the caption *"Wesco Aircraft Holdings, Inc., et al. v. SSD Investments LTD, et al."* Adv. Pro. No. 23-03091 (the "Adversary Proceeding") remains a main feature of these chapter 11 cases. The validity and effect of a March 2022 transaction (the "2022 Transaction") on the 2024 and 2026 Notes remains a gating issue for any plan in these chapter 11 cases.

While the current Disclosure Statement and Plan purport to address rulings by this Court in the Adversary Proceeding as to matters affecting the 2024 and 2026 Notes, including this Court's ruling that the 2026 Notes remain secured, issues remain as to the proposed treatment of claims on the 2024 and 2026 Notes under the Plan. Without limitation, those may include whether the Plan can satisfy the "cram down" standards of 11 U.S.C. Section 1129(b) and, as to the 2026 Notes, the treatment of the related deficiency claims. Further, the 2024/2026 Notes Trustee has raised concerns with the Debtors over iniquities in how Debtor obligations to otherwise equally situated "Prepetition Agents" are handled under the Plan. While the current version of the Plan makes some progress, the Debtors have not resolved the issues.

These are confirmation issues and the 2024/2026 Notes Trustee submits this Reservation of Rights without prejudice to, and with a full reservation of, (i) any positions asserted by holders of the 2024 and 2026 Notes, and (ii) all rights of the 2024/2026 Note Trustee to supplement or amend the foregoing in advance of, or in connection with, any hearing to approve the Disclosure Statement and/or confirmation of the Plan. The 2024/2026 Notes Trustee otherwise continues to analyze and review the Disclosure Statement and the Plan.

Dated: September 4, 2024

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO, PC

/s/ Nathan F. Coco
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Counsel to UMB Bank, N.A., as successor indenture trustee

Certificate of Service

I certify that on September 4, 2024, I caused a copy of the foregoing document to be served via the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

By: */s/ Nathan F. Coco*
Nathan F. Coco

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