

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
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WAYPOINT LEASING	:	Case No. 18-13648 (SMB)
HOLDINGS LTD., et al.,	:	
	:	(Jointly Administered)
Debtors.¹	:	
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**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 345(b),
363(c), 364(a), AND 503(b) AND FED. R. BANKR. P. 6003 AND 6004
(I) AUTHORIZING DEBTORS TO (A) CONTINUE EXISTING CASH
MANAGEMENT SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS
RELATED TO THE USE THEREOF, AND (C) CONTINUE INTERCOMPANY
TRANSACTIONS AND PROVIDE ADMINISTRATIVE EXPENSE PRIORITY
FOR POSTPETITION INTERCOMPANY CLAIMS; (II) EXTENDING THE TIME
TO COMPLY WITH 11 U.S.C. § 345(b); AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² dated November 25, 2018 [ECF No. 13] of Waypoint Leasing Holdings Ltd. and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), pursuant to sections 105(a), 345(b), 363(c), 364(a) and 503(b) of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for entry of interim and final orders (i) authorizing, but not directing, the Debtors to (a) continue using their existing cash management system (the “**Cash Management System**”), as described in the Motion, including the maintenance of existing bank accounts (the “**Bank Accounts**”) at their existing banks

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are set forth on **Exhibit A** to the Motion.

² Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Motion or in the *Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 507, and 552, Fed. R. Bankr. P. 2002, 4001, 6003, 6004, and 9014, and L. Bankr. R. 2002-1, 4001-2, 9013-1, 9014-1, and 9014-2 (I) Authorizing the Debtors to (A) Obtain Senior Secured Priming Superpriority Postpetition Financing, (B) Grant Liens and Superpriority Administrative Expense Status, and (C) Utilize Cash Collateral; (II) Granting Adequate Protection; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* (the “**Interim DIP Order**”), as applicable.



(the “**Banks**”) consistent with their prepetition practices, (b) honor certain prepetition obligations related to the Cash Management System, and (c) continue Intercompany Transactions between and among the Debtors and their non-debtor affiliates and subsidiaries (the “**Non-Debtor Affiliates**”), as set forth herein but otherwise in the ordinary course of business and consistent with their prepetition practices, and to provide administrative expense priority for postpetition Intercompany Claims; (ii) extending the time to comply with the requirements of section 345(b) of the Bankruptcy Code; and (iii) granting certain related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion and the Interim Order (as defined herein) having been provided in accordance with the *Interim Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 1015(c), 2002(m), and 9007 Implementing Certain Notice and Case Management Procedures*, entered on December 12, 2018 [ECF No. 86] as set forth in the affidavits of service filed at ECF Nos. 28 and 99, respectively; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing on December 10, 2018 to consider the relief requested in the Motion on an interim basis (the “**Interim Hearing**”); and the Court having entered an order granting the relief requested in the Motion on an interim basis [ECF No. 85] (the “**Interim Order**”); and the attorneys for the Debtors having filed a declaration pursuant to 28 U.S.C. § 1746 indicating that no objection to the Motion had been filed or where a response was filed, the claimant has consented to the entry of the Final Order [ECF No. 103]; and upon the First Day Declarations, filed contemporaneously

with the Motion, and the record of the Interim Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Motion is granted on a final basis to the extent set forth herein.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b)(1) and 363(c)(1), 364(a), 503(b)(1), and 507 of the Bankruptcy Code, to continue the Cash Management System maintained by the Debtors before the commencement of these Chapter 11 Cases, as modified pursuant to the Interim DIP Order, and to collect, concentrate, and disburse cash in accordance with the Cash Management System and to implement changes to the Cash Management System in the ordinary course of business without further order of the Court.
3. The Debtors shall continue, in the ordinary course of business, to maintain all receipts and disbursements and records of all transfers within the Cash Management System utilized postpetition so that all postpetition transfers and transactions will be properly documented, and accurate intercompany balances will be maintained.
4. To the extent necessary to operate the Cash Management System and manage the day-to-day operations of their business, the Debtors are authorized to continue to engage in Intercompany Transactions through Postpetition Intercompany Transfers and payment of the Intercompany Charges (including payments to the Non-Debtor Servicing Entities on account of postpetition Intercompany Claims) consistent with their practices prior to the Petition Date (as modified by the Interim DIP Order) and in the ordinary course of business; provided, however,

that absent further order from this Court, the Debtors shall not offset, satisfy, or otherwise pay any prepetition Intercompany Claims or Intercompany Transactions. Subject to the terms of paragraph five of this Final Order, all Intercompany Claims against a Debtor arising after the Petition Date as shall be accorded administrative expense priority status in accordance with section 364(a) and 503(b) of the Bankruptcy Code to the extent allowed. The Debtors shall continue to maintain records with respect to all transfers of cash or property (including pursuant to such transactions) so that all Intercompany Transactions may be readily ascertained, traced, and recorded properly on applicable intercompany accounts.

5. As described in the Interim DIP Order, as inducement for the DIP Lenders to provide the DIP Loans and as additional Adequate Protection for the Participating WAC Secured Parties, the following cash management procedures shall apply and shall supersede any contrary or inconsistent provisions in any cash management order; provided, however, that the following cash management procedures shall not apply to any Non-Participating WAC Group.

a. On (i) December 14, 2018, (ii) January 4, 2019, and (iii) every second Friday thereafter (any such date, a “**Cash Sweep Date**”), all post-petition receipts of any of the DIP Obligors shall be transferred or deposited into controlled deposit accounts held in the name of WLIL and maintained in the United Kingdom (the “**Central Cash Account**”), provided that such receipts (i) were received on or before the Thursday immediately preceding such Cash Sweep Date and (ii) for any Participating WAC Group, exceed \$100,000 in the aggregate; provided that any sale, insurance, casualty, hedge termination payment, or other receipts, which receipt is not set forth in any period in the Approved Budget (collectively, the “**Extraordinary Receipts**”) shall not be swept; and provided further that in the event the Net WAC Group Intercompany Claim (as defined herein) in favor of WAC 9 would exceed \$4,000,000, no further

cash shall be swept from WAC 9 to the Central Cash Account until such time as the Net WAC Group Intercompany Claim in favor of WAC 9 would no longer exceed \$4,000,000.

b. Disbursements (including from the Central DIP Account and the Central Cash Account) shall be made solely in compliance with the Approved Budget (subject to Permitted Variances).

c. Notwithstanding anything to the contrary in this Final Order, the Approved Budget, the DIP Credit Agreement, or any DIP Document, in no event shall any Debtor make any disbursement that would at any time result in a Net WLIL Intercompany Claim (as defined herein) for any Participating WAC Group in excess of the Maximum Intercompany Balance for such Participating WAC Group.

d. The Obligors shall maintain Participating WAC Group and entity-specific intercompany accounting, including with respect to all receipts and disbursements from the Central DIP Account and the Central Cash Account, which will be reported to the DIP Agent and each Prepetition Approving Party (as defined herein) on (i) December 14, 2018, (ii) January 4, 2019, and (iii) every second Friday thereafter. Specifically, they shall report:

(i) The net cash receipts received by or on behalf of each Participating WAC Group during such period other than Extraordinary Receipts that are not swept (such Participating WAC Group's "**Gross WAC Group Receipts**").

(ii) The net cash disbursements made by or on behalf of each Participating WAC Group during such period, including direct disbursements, allocated disbursements and, to the extent applicable, allocated Non-Participating WAC Fronted Expenses, (such amounts for each Participating WAC Group, its "**Gross WAC Group Disbursements**").

(iii) The net position of each Participating WAC Group vis-à-vis WLIL, calculated as the difference between such Participating WAC Group's Gross WAC Group Receipts and its Gross WAC Group Disbursements for such week and on a cumulative basis, in each case as deemed to be adjusted for purposes of effectuating the intercreditor settlement set forth in the Forbearance Agreements but not with respect to the Debtors' actual intercompany claim balances, and for agreed opening cash balances including adjustments to reflect the cash sources and uses during the Forbearance Period

(as defined in the Forbearance Agreements) (any such positive difference, a “**Net WAC Group Intercompany Claim**” and any such negative difference a “**Net WLIL Intercompany Claim**”).

e. To the extent that WLIL has, at any time, on a cumulative basis, a Net WLIL Intercompany Claim against a Participating WAC Group, WLIL shall receive a joint and several superpriority intercompany claim (a “**WLIL Intercompany Protection Claim**”) against each member of such Participating WAC Group, secured by priming liens (“**WLIL Intercompany Protection Liens**”) against such Participating WAC Group’s WAC Specific Collateral, subject only to the Carve-Out. To the extent any WLIL Intercompany Protection Claim or WLIL Intercompany Protection Lien against any Participating WAC Group or WAC Specific Collateral is satisfied by such Participating WAC Group or from such WAC Specific Collateral, any DIP Superpriority Claim or DIP Lien against such Participating WAC Group or WAC Specific Collateral shall automatically and to the same extent be satisfied and released.

f. To the extent a Participating WAC Group, has at any time, on a cumulative basis, a Net WAC Group Intercompany Claim against WLIL, each member of such Participating WAC Group shall receive a superpriority intercompany claim (a “**WAC Group Intercompany Protection Claim**”) against WLIL, secured by priming liens (“**WAC Group Intercompany Protection Liens**”) against all assets of WLIL that constitute DIP Collateral (including the Central DIP Account, the Central Cash Account, and the WLIL Intercompany Protection Claims), subject only to the Carve-Out.

g. Collectively, the WLIL Intercompany Protection Claims and the WAC Group Intercompany Protection Claims are referred to as the “**Intercompany Protection Claims.**” Collectively the WLIL Intercompany Protection Liens and the WAC Group Intercompany Protection Liens are referred to as the “**Intercompany Protection Liens.**”

h. The Intercompany Protection Claims and Intercompany Protection Liens shall be held for the ratable benefit of the Participating WAC Lenders and the DIP Lenders and may not be waived, compromised, released, subordinated, settled or extinguished without the consent of the DIP Agent (at the direction of the Required DIP Lenders) and each Participating WAC Agent (or, with respect to WAC8, the Required Noteholders under and as defined in the WAC8 Documents) (each a “**Prepetition Approving Party**”).

6. In the event of any inconsistency between the terms of the Interim DIP Order and this Final Order, the terms of the Interim DIP Order shall control.

7. The Debtors are authorized to: (i) designate, maintain and continue to use any or all of their existing Bank Accounts including those listed on **Exhibit D** to the Motion, hereof, in the names and with the account numbers existing immediately prior to the Petition Date (which **Exhibit D** shall be promptly amended to identify any Bank Accounts inadvertently omitted therefrom and which **Exhibit D**, as so amended, shall be served a reasonable period of time therefrom on the U.S. Trustee and the statutory committee of creditors (if appointed)); (ii) deposit funds in and withdraw funds from such accounts by all usual means including, without limitation, checks, drafts, wire transfers, automated clearinghouse (“**ACH**”) payments, electronic funds transfer (“**EFT**”) payments, and other debits; (iii) pay any Bank Fees or charges associated with the Bank Accounts; and (iv) treat their prepetition Bank Accounts for all purposes as debtors-in-possession accounts.

8. Except as otherwise provided in this Final Order, all Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors-in-possession without interruption and in the usual and ordinary course, and to receive, process, honor, and pay any and all checks, drafts, wire transfers, ACH payments, EFT payments,

or other debits drawn on any of the Bank Accounts after the Petition Date by the holders or makers thereof, to the extent funds are available as the case may be.

9. Unless authorized by the Court, no Bank shall honor or pay any checks, drafts, wires, ACH payments, or EFT payments issued on account of a prepetition claim. The Banks may honor any checks, drafts, wires, ACH payments, or EFT payments issued on account of prepetition claims where this Court has specifically authorized such checks, drafts, wires, ACH payments, or EFT payments to be honored.

10. The Banks shall not be liable to any party on account of: (a) following the Debtors' representations, instructions, or presentations as to any order of the Court (without any duty of further inquiry); (b) the honoring of any prepetition checks, drafts, wires, ACH payments, or EFT payments made in a good-faith belief or upon a representation by the Debtors that the Court has authorized such prepetition check, draft, wire, ACH payment, or EFT payment; or (c) an innocent mistake made despite implementation of reasonable handling procedures.

11. The Debtors shall have forty-five (45) days from the date of entry of this Final Order to comply with section 345(b) of the Bankruptcy Code and the requirements of the United States Trustee Operating Guidelines without prejudice to their ability to request from the U.S. Trustee further extensions or a waiver from the Court on a final basis "for cause" pursuant to section 345(b) of the Bankruptcy Code.

12. The Debtors are authorized to use their existing Business Forms substantially in the forms used immediately prior to the commencement of these Chapter 11 Cases, without use of "Debtors-in-Possession" on any of their Business Forms until the exhaustion of current stock; provided, however, that on all electronic forms and checks, the Debtors shall immediately include the demarcation "Debtors-in-Possession." Once the hard-copy Business

Forms and checks are exhausted, all new Business Forms and checks shall include “Debtor-in-Possession” next to or below the particular Debtor’s name.

13. Notwithstanding anything to the contrary contained herein, any payments made or to be made by the Debtors under this Final Order, and any authorization contained in this Final Order, shall be in compliance with, and shall be subject to the Interim DIP Order (as may be modified by further order of the Bankruptcy Court), and the documentation in respect of the Debtors’ DIP Facility.

14. Applicable banks and financial institutions are authorized, but not directed, at the Debtors’ request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors.

15. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

16. Nothing contained in the Motion or this Final Order, nor any payment made pursuant to the authority granted by this Final Order, is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors’ or any appropriate party in interest’s rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

17. Nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

18. Under the circumstances of these Chapter 11 Cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

19. Notwithstanding Bankruptcy Rule 6004(h), this Final Order shall be immediately effective and enforceable upon its entry.

20. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Final Order.

21. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Final Order.

Dated: December 19, 2018
New York, New York

/s/ STUART M. BERNSTEIN
HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE