

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

<p>In re:</p> <p>AFH AIR PROS, LLC, <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 25-10356 (PMB)</p> <p>(Jointly Administered)</p>
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EMERGENCY MOTION OF THE DEBTORS FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN EXISTING INSURANCE POLICIES, PAY ALL POLICY PREMIUMS, AND RENEW OR ENTER INTO NEW POLICIES, AND (B) CONTINUE INSURANCE PREMIUM FINANCING PROGRAM, PAY INSURANCE PREMIUM FINANCING OBLIGATIONS ARISING IN CONNECTION THEREWITH, AND RENEW SUCH PREMIUM FINANCING ARRANGEMENTS; (II) AUTHORIZING THE DEBTORS TO MAINTAIN AND CONTINUE THEIR SURETY BOND PROGRAM, PAY OBLIGATIONS IN CONNECTION THEREWITH, AND RENEW OR OBTAIN NEW SURETY BONDS; AND (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND ELECTRONIC TRANSFER REQUESTS RELATED THERETO

The above-captioned debtors and debtors in possession (collectively, the “Debtors”), submit this motion (the “Motion”) for entry of an interim order, substantially in the form attached hereto as **Exhibit A** (the “Interim Order”), and a final order, substantially in the form attached hereto as **Exhibit B** (the “Final Order”, and together with the Interim Order, the “Proposed Orders”), pursuant to sections 105, 363, 1107, and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”) and Rules 6003 and 6004(h) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”),

- (i) authorizing the Debtors to (a) maintain existing insurance policies, pay all policy premiums, whether arising prepetition or postpetition, and renew or enter into new policies as needed, and (b) continue insurance premium financing under the

¹ The last four digits of AFH Air Pros, LLC’s tax identification number are 1228. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the proposed claims and noticing agent at <https://www.veritaglobal.net/AirPros>. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 150 S. Pine Island Road, Plantation, Florida 33020.



Debtors' premium financing agreement and pay insurance premium financing obligations arising thereunder or in connection therewith, and renew as needed without further order of the Court;

- (ii) authorizing the Debtors to maintain their existing surety bonds, satisfy obligations in connection therewith whether arising prepetition or postpetition, and renew or obtain new surety bonds as necessary in the ordinary course of business; and
- (iii) authorizing banks and other financial institutions at which the Debtors hold accounts (collectively, the "Banks") to honor and process checks and electronic transfer requests related to the foregoing.

In support of the relief requested in this Motion, the Debtors rely upon and incorporate by reference the *Declaration of Andrew D.J. Hede in Support of Chapter 11 Petitions and First Day Pleadings* ("First Day Declaration") filed contemporaneously herewith. In further support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Northern District of Georgia (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are sections 105, 363, 1107, and 1108 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004(h), and the *Second Amended and Restated General Order 26-2019, Procedures for Complex Chapter 11 Cases*, dated February 6, 2023 (the "Complex Case Procedures").

BACKGROUND

A. The Chapter 11 Cases

3. On March 16, 2025 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with this Court.

4. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. No official committee has been appointed in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), and no request has been made for the appointment of a trustee or an examiner.

6. Additional information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the First Day Declaration.

B. Insurance Program

i. Insurance Policies

7. In the ordinary course of the Debtors’ business, the Debtors maintain numerous insurance policies (the “Insurance Program”) with various insurance companies (the “Insurance Companies”) providing coverage for, *inter alia*, auto, crime, cyber, directors and officers liability, errors and omissions, general liability, property, workers compensation, and excess liability (the “Policies”). A list of the Policies, Insurance Companies, the term of the Policies, and the annual premiums is attached hereto as **Exhibit C**. For the 2024–2025 policy period, the annual premiums for the Policies totaled approximately \$3,179,878 in the aggregate, including applicable taxes and fees payable under the Policies. As discussed further herein, the Debtors finance a substantial portion of the annual premiums under the Policies. The Debtors do not believe that any prepetition premiums are due and owing to the Insurance Companies as of the Petition Date. The Debtors request authority to proceed in the ordinary course of business to maintain the Policies, including authority to pay any prepetition or postpetition amounts that may become due and to renew or replace the Policies and pay premiums associated with such renewals or replacements.

8. Moreover, in the ordinary course of business, the Debtors obtain brokerage services from CAC Specialty with respect to the directors and officers liability Policy and from Arthur J. Gallagher & Co. (together with CAC Specialty, the “Insurance Brokers”) with respect to all other Policies. The Insurance Brokers assist the Debtors in obtaining insurance for the Debtors’ operations by, among other things, managing renewal data, assisting the Debtors with the procurement and negotiation of certain Insurance Policies, marketing the Insurance Policies, enabling the Debtors to obtain such policies on advantageous terms at competitive rates, and providing ongoing support throughout the applicable policy periods. The Debtors do not pay the Insurance Brokers directly for their services. Instead, in accordance with the relevant Insurance Policy or the PFA (as defined below), the Insurance Brokers may receive brokers fees directly from the Insurance Carriers or the Insurance Lender (as defined below). As a result, the Debtors do not have any outstanding prepetition amounts due and owing to the Insurance Brokers on account of their services in connection with this Motion.

ii. Security to Support Debtors’ Performance Under Certain Policies

9. The Debtors’ obligations to Continental Casualty Company under the applicable Policies, including, but not limited to, payment of deductibles, are secured by an irrevocable and unconditional standby letter of credit in the amount of \$3,449,000 issued by Valley National Bank for the benefit of Continental Casualty Company (the “Valley National Bank LC”). Pursuant to a Pledge Agreement dated July 5, 2024, Air Pros Solutions, LLC (“Solutions”) pledged its interest in Account No. x7300 maintained at Valley National Bank (the “Pledged VNB Account”) as security for the Valley national Bank LC, and Solutions is not permitted to make any withdrawals from, or terminate, the Pledged VNB Account. As of the Petition Date, the Pledged VNB Account has a balance of approximately \$2,145,000.

10. Additionally, the continuing obligations of East Coast Mechanical, LLC (“ECM”), if any, under its prior workers’ compensation policy issued by Amerisure Mutual Insurance Company (“Amerisure”)² are secured by a letter of credit in the amount of \$125,000 issued by PNC Bank for the benefit of Amerisure (the “PNC Bank LC”). Pursuant to an Amended and Restated Pledge Agreement dated April 5, 2023, ECM pledged its interest in two Certificates of Deposit at PNC Bank, Account Nos. x6919 and x7483 (the “Pledged PNC Accounts”, and together with the Pledged VNB Account, the “Pledged Accounts”) as security for the PNC Bank LC, and ECM is restricted from withdrawing funds from the Pledged PNC Accounts. As of the Petition Date, the Pledged PNC Accounts have an aggregate balance of approximately \$134,359.

11. To the extent that the Debtors have any prepetition obligations outstanding in connection with the Valley National Bank LC or the PNC Bank LC or the Pledged Accounts, the Debtors do not seek any authority to satisfy such obligations at this time and reserve all of their rights with respect thereto.

iii. Premium Financing Agreement

12. The Debtors have determined, in their business judgment, that it is economically advantageous to finance the payment of premiums for the Policies, except the directors and officers liability policy, which the Debtors pay directly. Accordingly, in the ordinary course of the Debtors’ business, the Debtors finance the premiums on the applicable Policies through First Insurance Funding, a Division of Lake Forest Bank & Trust Company, N.A. (the “Insurance Lender”).

² Amerisure is the insurer under ECM’s workers compensation policy prior to the Debtors’ acquisition of ECM. Amerisure is not a current Insurer, and the Debtors believe that any remaining obligations of ECM under the prior Amerisure policy are nominal.

13. Pursuant to that certain Premium Finance Agreement with the Insurance Lender dated June 21, 2024 (the “PFA”),³ the Insurance Lender prepaid the aggregate annual premiums, taxes, and fees on account of certain of the Debtors’ Policies. Approximately \$2,661,103.35 of the Debtors’ total insurance premiums are financed by the PFA in exchange for the Debtors’ down payment of \$295,605.93 and ten installment payments of \$276,736.78. The annual interest rate under the PFA is 8.62%. The monthly installment payments are due on the tenth day of each month beginning June 10, 2024.

14. Under the terms of the PFA, the Debtors’ obligations to the Insurance Lender are collateralized by a security interest in (a) all returned or unearned premiums, (b) all additional cash contributions or collateral amounts assessed by the Insurance Companies in relation to the financed policies, (c) any credits generated by the financed policies, (d) dividend payments and (e) loss payments which reduce unearned premiums (collectively, “Insurance Collateral”). Additionally, pursuant to the PFA, the Debtors appoint the Insurance Lender as the Debtors’ attorney-in-fact and grant the Insurance Lender the authority to cancel the Policies covered by the PFA upon an event of default.

15. As of the Petition Date, the Debtors believe that they owe approximately \$276,736 under the PFA on account of one remaining installment payment, which is due and payable within the first 30 days of these Chapter 11 Cases. The Debtors request authority, but not direction, to pay any amounts under the PFA, including any remaining installment payments, as they come due under the terms of the PFA during these Chapter 11 Cases. In addition, the Debtors propose to pay any prepetition premiums related to the Policies to the extent the Debtors discover and determine that such payment is necessary to avoid cancellation, default, alteration, assignment, attachment,

³ A copy of the PFA is attached hereto as Exhibit D.

lapse or any form of impairment to the coverage, benefits, or proceeds provided under the Policies.⁴ The Debtors seek this authority in recognition of the critical necessity of keeping the Policies in effect and out of concern that if the necessity for such a payment arises in the future, the amount of time it takes the Debtors to seek and obtain the Court's authority for such a payment may have irreversible adverse consequences for the Debtors' coverage under the Policies.

16. If the Debtors are unable to make payments under the PFA, the Insurance Lender may be permitted to terminate the Policies covered by the PFA to recoup losses. Furthermore, if the Debtors cease making payments on the Policies, the Insurance Companies may not allow the Debtors to renew these Policies at the current rates in the future. The Debtors would then be required to obtain replacement insurance on an expedited basis and at great cost to their estates. Even if the Insurance Lender or the Insurance Companies were not permitted to terminate the Policies, any interruption of payments would have a severe adverse effect on the Debtors' ability to extend the current Policies or acquire new insurance coverage in the future.

17. The Policies are essential for the Debtors to continue to operate their business. Any other alternative would likely require considerable additional cash expenditures and would be detrimental to the Debtors' efforts to preserve and maximize the value of their estates. The Debtors believe that if their insurance premiums are not paid when due, the Insurance Companies may seek to terminate the Policies. The effect of potential cancellation of the Policies – or even litigation regarding the same – would adversely impact the Debtors' estates, particularly at these early stages of these Chapter 11 Cases and cause immediate and irreparable harm to the Debtors. Moreover, cancellation of the Policies would cause the Debtors to potentially violate both the *Operating*

⁴ Nothing herein shall be deemed an admission of payments due or past due or an admission that any contracts with respect to insurance providers are or are not executory contracts.

Guidelines and Reporting Requirements for Debtors in Possession and Chapter 11 Trustees (the “U.S. Trustee Operating Guidelines”) issued by the Office of the United States trustee for Region 21 (the “U.S. Trustee”) and various state laws.

C. Surety Bond Program

18. In the ordinary course of business, the Debtors are required to obtain various types of surety bonds (the “Surety Bonds”) from surety providers (the “Sureties”). These Surety Bonds secure obligations of payment and performance owed to various third parties (the “Obligees”), including municipalities and state and federal governmental units (the “Surety Bond Program,” and together with the Insurance Program, the “Insurance and Surety Bond Program”).

19. The Debtors are required to provide Surety Bonds to Obligees pursuant to federal, state, and municipal laws and regulations. The Surety Bonds include license and permit bonds to ensure that the Debtors comply with applicable governmental regulations. The Surety Bond Program is essential to the Debtors’ operations by ensuring that the Debtors meet all obligations in connection with applicable licensing and permitting requirements.

20. As of the Petition Date, the Debtors maintain approximately 20 Surety Bonds, which provide approximately \$450,000 in aggregate Surety Bond coverage. A schedule of the Surety Bonds maintained by the Debtors is attached hereto as **Exhibit E**. Moreover, in the ordinary course of business, the Debtors obtain brokerage services from Arthur J. Gallagher & Co. (the “Surety Broker”) with respect to the Surety Bond Program. The Surety Broker assists the Debtors in obtaining the required Surety Bonds for the Debtors’ operations by, among other things, managing renewal data, assisting the Debtors with the procurement of Surety Bonds and providing ongoing support. The Debtors pay the Surety Broker periodic fees for its services, including, but not limited to, bond premiums, processing fees, and renewal or maintenance fees. As of the Petition Date, the Debtors believe they have outstanding obligations to Sureties and the Surety Broker (the

“Surety Bond Obligations”) in the aggregate amount of approximately \$3,500, all of which will be due and payable in the first 30 days following the Petition Date. The Debtors request the authority, but not direction, to continue to pay Surety Bond Obligations in the ordinary course of business, including amounts arising prior to the Petition Date.

RELIEF REQUESTED

21. The Debtors request entry of the Proposed Orders:
- (i) authorizing the Debtors to (a) maintain existing insurance policies, pay all policy premiums, whether prepetition or postpetition, and renew or enter into new policies as needed, without further order of the Court, and (b) continue insurance premium financing under the PFA, pay insurance premium financing obligations, if any, arising thereunder or in connection therewith and renew such financing agreements as needed without further order of the Court;
 - (ii) authorizing the Debtors to maintain their existing surety bonds, satisfy obligations in connection therewith whether arising prepetition or postpetition, and renew or obtain new surety bonds as necessary in the ordinary course of business; and
 - (iii) authorizing the Banks to receive, process, honor, and pay any checks or electronic transfers used by the Debtors to pay the foregoing, whether presented before or after the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments.

BASIS FOR RELIEF

22. The Debtors believe that any postpetition payment of premiums due under the Policies, any postpetition payments due under the PFA, and the liens granted under the PFA are transactions in the ordinary course of business. Out of an abundance of caution, however, and in the Debtors’ reasonable business judgment, the Debtors seek approval to pay any prepetition amounts due under the Policies or the PFA, and any postpetition amounts as they come due, and seek approval to honor the terms of the PFA, including the liens granted thereunder.

A. Continuation of the Policies and Surety Bonds is Required by the Bankruptcy Code and the United States Trustee Guidelines

23. The Debtor's Policies and payments should be authorized pursuant to section 1112 of the Bankruptcy Code. Section 1112(b)(4)(C) of the Bankruptcy Code provides that "failure to maintain appropriate insurance that poses a risk to the estate or to the public" is "cause" for mandatory conversion or dismissal of a chapter 11 case. 11 U.S.C. § 1112(b)(4)(C).

24. In addition, in many instances, the coverage provided under the Policies is required by the regulations, laws, credit agreements, and contracts that govern the Debtors' commercial activities, including the U.S. Trustee Operating Guidelines. Thus, the Debtors believe it is essential to their estates, and consistent with the Bankruptcy Code and the U.S. Trustee Operating Guidelines, that they (a) maintain and continue to make all payments required under their Policies and Surety Bonds and (b) have the authority to supplement, amend, extend, renew, or replace their Policies and Surety Bonds as needed, in the ordinary course of business, without further order of the Court.

25. Moreover, the ordinary course maintenance of the Debtors' Policies and related financing program, including payment of all premiums under the Policies and monthly obligations under the PFA, and the renewal of or entry into new insurance policies or insurance premium financing arrangements as may be required as the existing Policies and PFA expire, including the granting of liens or security interests thereunder, without further order of the Court, is necessary to the Debtors' operation of their businesses during these Chapter 11 Cases. Such relief is essential where, as here, the Debtors' failure to pay their monthly premium obligations could have negative consequences for their estates and creditors.

26. Under the terms of the PFA, the Insurance Lender may cancel the Policies covered by the PFA for nonpayment. Furthermore, under the terms of the PFA, the Insurance Lender may

accelerate and declare due and payable the entire unpaid premiums upon the Debtors' failure to pay the respective monthly premium obligations. Because the Debtors are required to maintain insurance coverage during these Chapter 11 Cases, the cancellation of these Policies would have material consequences to their businesses and the bankruptcy process.

B. The Debtors Should Be Authorized to Pay Obligations Under the Insurance and Surety Program Under Bankruptcy Code Sections 1107(a) and 1108

27. The Debtors, operating their business as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code, are fiduciaries "holding the bankruptcy estate[s] and operating the business for the benefit of [their] creditors and (if the value justifies) equity owners." *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002). Implicit in the duties of a chapter 11 debtor in possession is the duty "to protect and preserve the estate, including an operating business's going-concern value." *Id.*

28. Courts have noted that there are instances in which a debtor in possession can fulfill its fiduciary duty only "by the preplan satisfaction of a prepetition claim." *Id.* The *CoServ* court specifically noted that preplan satisfaction of prepetition claims would be a valid exercise of a debtor's fiduciary duty when the payment "is the only means to effect a substantial enhancement of the estate," *id.*, and also when the payment was to "sole suppliers of a given product." *Id.* at 498. The court provided a three-pronged test for determining whether a preplan payment on account of a prepetition claim was a valid exercise of a debtor's fiduciary duty:

First, it must be critical that the debtor deal with the claimant. Second, unless it deals with the claimant, the debtor risks the probability of harm, or, alternatively, loss of economic advantage to the estate or the debtor's going concern value, which is disproportionate to the amount of the claimant's prepetition claim. Third, there is no practical or legal alternative by which the debtor can deal with the claimant other than by payment of the claim.

Id.

29. Payment of obligations under the Insurance and Surety Program, including the insurance premiums and the amounts due under the PFA, meets each element of the *CoServ* court's standard. As noted above, insurance coverage is required by the U.S. Trustee Operating Guidelines. Accordingly, the Debtors should be authorized to pay all premiums that may become due and all obligations due under the Insurance and Surety Program if such payment is necessary in the Debtors' judgment to avoid continuation of insurance coverage or, in the case of the Surety Bonds, to obtain the requisite licensing and permitting to support operations.

C. The Doctrine of Necessity and Bankruptcy Code Sections 105 and 363 Support Payment of Obligations Under the Insurance and Surety Program

30. The Debtor's proposed payment of prepetition policy premiums and Surety Bond obligations, to the extent not otherwise already paid, should also be authorized pursuant to sections 105 and 363 of the Bankruptcy Code and under the "doctrine of necessity."

31. Section 363(b) of the Bankruptcy Code permits a debtor, subject to court approval, to pay prepetition obligations where a sound business purpose exists for doing so. *See In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (noting that section 363(b) of the Bankruptcy Code provides "broad flexibility" to authorize a debtor to honor prepetition claims where supported by an appropriate business justification). In addition, section 105(a) of the Bankruptcy Code provides in pertinent part that "[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).

32. The doctrine of necessity is a well-settled doctrine that permits a bankruptcy court to authorize payment of certain prepetition claims prior to the completion of the chapter 11 process where the payment of such claims is necessary to preserve and maximize value. *See In re Just for Feet, Inc.*, 242 B.R. 821, 826 (D. Del. 1999) (stating that where the debtor "cannot survive" absent

payment of certain prepetition claims, the doctrine of necessity should be invoked to permit payment); *see also In re NVR L.P.*, 147 B.R. 126, 127 (Bankr. E.D. Va. 1992) (“[T]he court can permit pre-plan payment of a pre-petition obligation when essential to the continued operation of the debtor.”); *In re Eagle-Picher Indus., Inc.*, 124 B.R. 1021, 1023 (Bankr. S.D. Ohio 1991) (“[T]o justify payment of a pre-petition unsecured creditor, a debtor must show that the payment is necessary to avert a serious threat to the Chapter 11 process.”) (internal quotation marks and citations omitted).

33. As demonstrated herein, the Debtors’ ability to continue their existing Insurance and Surety Bond Program, including insurance premium financing obligations under the PFA, and pay their insurance premiums and Surety Bond obligations is essential to the maintenance of their businesses. Accordingly, the Debtors’ payment of the Insurance Lender’s and any of the Insurance Companies’ claims, as well as Surety Bond obligations, including any prepetition claims, is warranted under the “doctrine of necessity” and section 105(a) of the Bankruptcy Code

34. Accordingly, the Debtors seek authorization to pay any obligations under the Insurance and Surety Bond Program, including payment of all monthly obligations (if any), whether prepetition or postpetition, and to renew or replace such Policies, PFA, and Surety Bonds as may be required as the terms of the existing Policies, PFA, and Surety Bonds expire, including granting liens or security interests required thereunder, in the ordinary course of business and without further order of the Court. The Debtors seek authority to pay the remaining premiums and installments under the PFA as they come due.⁵

⁵ To the extent that the Policies, Surety Bonds, or related agreements may be deemed executory contracts within the meaning of section 365 of the Bankruptcy Code, the Debtors do not at this time seek authority to assume such contracts and the Debtors reserve the right to seek a determination at a later date as to whether any such contracts are executory.

D. The Court Should Authorize Applicable Banks to Honor Checks and Electronic Fund Transfers in Accordance with the Motion

35. In connection with the foregoing, the Debtors respectfully request that the Court (i) authorize all applicable Banks to receive, process, honor, and pay all checks and transfers issued by the Debtors in accordance with this Motion, without regard to whether any checks or transfers were issued before or after the Petition Date; (ii) provide that all Banks may rely on the representations of the Debtors with respect to whether any check or transfer issued or made by the Debtors before the Petition Date should be honored pursuant to this Motion (such banks and other financial institutions having no liability to any party for relying on such representations by the Debtors provided for herein); and (iii) authorize the Debtor to issue replacement checks or transfers to the extent any checks or transfers that are issued and authorized to be paid in accordance with this Motion are dishonored or rejected by the Banks.

**REQUEST FOR IMMEDIATE RELIEF AND WAIVER OF STAY TO
AVOID IMMEDIATE AND IRREPARABLE HARM**

36. The relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors for the reasons set forth herein and in the First Day Declaration. Therefore, Bankruptcy Rule 6003 has been satisfied and the relief requested herein should be granted.

37. Bankruptcy Rule 6003 provides that the Court may grant relief within 21 days after the filing of the petition regarding “a motion to use, sell, lease, or otherwise incur an obligation regarding property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition” only if such relief is necessary to avoid immediate and irreparable harm. Fed R. Bankr. P. 6003(b). As set forth in this Motion, the ability to continue to pay all obligations under the Insurance and Surety Bond Program is necessary in order to avoid immediate and irreparable harm to the Debtors’ estates, as failure to do so would jeopardize the Debtors’ ability to maintain the insurance coverage and licensing and permitting necessary to continue the Debtors’

business operations. Moreover, cancellation of the Policies would cause the Debtors to violate the U.S. Trustee Operating Guidelines. Accordingly, Bankruptcy Rule 6003 is satisfied, and the relief requested herein should be granted.

38. Additionally, the Debtors further seek a waiver of any stay of the effectiveness of an order approving this Motion. Pursuant to Bankruptcy Rule 6004(h), “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). The relief requested in this Motion is essential to prevent immediate and irreparable damage to the Debtors’ operations, going-concern value, and their efforts to pursue a resolution to these Chapter 11 Cases. Accordingly, the 14-day stay under Bankruptcy Rule 6004(h) should be waived.

RESERVATION OF RIGHTS

39. Nothing in the Proposed Orders or this Motion (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates; (ii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates; (iii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action; or (iv) shall be construed as a promise to pay a claim.

NOTICE

40. Notice of this Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the Office of the United States Trustee for the Northern District of Georgia; (b) the Debtors’ prepetition and postpetition lenders and collateral agent; (c) creditors holding the 30 largest unsecured claims against the Debtors; (d) the United States Attorney for the Northern District of Georgia; (e) the Georgia Department of Revenue; (f) the Internal Revenue

Service; (g) the Securities & Exchange Commission; (h) the Georgia Secretary of State; (i) the states attorneys general for states in which the Debtors conduct business; (j) the Insurance Companies listed in Exhibit C attached hereto; (k) the Insurance Lender; (l) the Sureties listed in Exhibit E attached hereto; and (m) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

NO PRIOR REQUEST

41. No prior request for the relief sought in this Motion has been made to this or any other court.

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Orders granting the relief requested herein and such other and further relief as is just and proper.

Dated: March 16, 2025

Respectfully submitted,

GREENBERG TRAUIG, LLP

/s/ David B. Kurzweil
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*Proposed Counsel for the Debtors and
Debtors in Possession*

Exhibit A

Proposed Interim Order

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

In re:

AFH AIR PROS, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10356 (PMB)

(Jointly Administered)

Re: Docket No. ____

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN EXISTING INSURANCE POLICIES, PAY ALL POLICY PREMIUMS, AND RENEW OR ENTER INTO NEW POLICIES, AND (B) CONTINUE INSURANCE PREMIUM FINANCING PROGRAM, PAY INSURANCE PREMIUM FINANCING OBLIGATIONS ARISING IN CONNECTION THEREWITH, AND RENEW SUCH PREMIUM FINANCING ARRANGEMENTS; (II) AUTHORIZING THE DEBTORS TO MAINTAIN THEIR SURETY BOND PROGRAM, PAY OBLIGATIONS IN CONNECTION THEREWITH, AND RENEW OR OBTAIN NEW SURETY BONDS; AND (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND ELECTRONIC TRANSFER REQUESTS RELATED THERETO

¹ The last four digits of AFH Air Pros, LLC's tax identification number are 1228. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the claims and noticing agent at <https://www.veritaglobal.net/AirPros>. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 150 S. Pine Island Road, Plantation, Florida 33020.

Upon the *Emergency Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Maintain Existing Insurance Policies, Pay all Policy Premiums, and Renew or Enter Into New Policies, and (B) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising in Connection Therewith, and Renew Such Premium Financing Arrangements; (II) Authorizing the Debtors to Maintain Their Surety Bond Program, Pay Obligations in Connection Therewith, and Renew or Obtain New Surety Bonds; and (III) Authorizing Banks to Honor and Process Checks and Electronic Transfer Requests Related Thereto* (the “Motion”);² and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of these Chapter 11 Cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances; and this Court having held a hearing (the “Hearing”) to consider the relief requested in the Motion; and upon the First Day Declaration and the record of the Hearing, this Court having determined that there is good and sufficient cause for the relief set forth in this Order; and after due deliberation thereon,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized to honor the terms of their existing Policies, including making all postpetition payments (including postpetition fees and premiums) with respect to the Policies on an uninterrupted basis and may renew or enter into new Policies as needed without further order of the Court.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

3. The Debtors are authorized to honor the terms of their existing Surety Bonds, including making all postpetition payments with respect to the Surety Bonds and renew or, as necessary, acquire additional bonding capacity as needed in the ordinary course of business, and execute other agreements, as needed, in connection with the Surety Bond Program.

4. The Debtors are authorized to pay any prepetition claims owed under the Policies and Surety Bonds.

5. The Debtors are authorized to honor any prepetition or postpetition obligations under the PFA, as needed, in the ordinary course of business without further application to this Court. The Debtors are further authorized to renew the PFA, and to extend or obtain a replacement premium finance agreement, as needed, in the ordinary course of businesses without further application to this Court.

6. To the extent that the Policies or related agreements may be deemed executory contracts within the meaning of section 365 of the Bankruptcy Code, the Debtors do not at this time seek authority to assume such contracts, no relief is granted in respect thereof, and no determination is made as to whether any such contracts are executory. Nothing in this Order (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates; (ii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates; (iii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any of the Insurers; or (iv) shall be construed as a promise to pay a claim.

7. Notwithstanding anything to the contrary contained in this Order, any payment, deposit, or other transfer made or to be made under this Order, any authorization contained in this Order, or any claim for which payment is authorized hereunder, shall be subject to the terms and provisions of any orders of this Court approving any debtor in possession financing for, or any use of cash collateral by, the Debtors and any approved budget (subject to permitted variances thereto) in connection therewith. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of (a) any such orders approving any debtor in possession financing or use of cash collateral or (b) any debtor in possession financing agreements and documents related thereto.

8. A final hearing to consider the relief requested in the Motion shall be held on _____, **2025 at ___:___ .m. (prevailing Eastern Time)** and any objections to entry of such order shall be in writing and filed with this Court no later than _____, **2025 at 4:00 p.m. (prevailing Eastern Time)** and served on: (i) the Debtors, c/o Air Pros Solutions, LLC, 150 S. Pine Island Road, Plantation, Florida 33020, Attn: Andrew D.J. Hede (ahede@accordion.com); (ii) proposed counsel to the Debtors, Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, Attn: David B. Kurzweil, Esq. (kurzweild@gtlaw.com) and Matthew A. Petrie (petriem@gtlaw.com); (iii) counsel for the DIP Lenders and the Prepetition Lenders, (a) Latham & Watkins LLP, 330 N. Wabash Avenue, Suite 2800, Chicago, Illinois 60611, Attn: James Ktsanes (james.ktsanes@lw.com), Ebba Gebisa (ebba.gebisa@lw.com), and Whit Morley (whit.morley@lw.com), (b) Latham & Watkins LLP, 1271 Avenue of the Americas, New York, New York 10020, Attn: Nikhil Gulati (nikhil.gulati@lw.com), and (c) Scroggins, Williamson & Ray, P.C., 4401 Northside Parkway, Suite 230, Atlanta, GA 30327 Attn: J. Robert Williamson (rwilliamson@swlawfirm.com);

and (iv) the Office of the United States Trustee for Region 21, 362 Richard Russell Building & U.S. Courthouse, 75 Ted Turner Drive, S.W., Atlanta, GA 30303 (Attn: Jonathan S. Adams).

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

10. The requirements of Bankruptcy Rule 6003(b) are satisfied.

11. Notwithstanding any applicable Bankruptcy Rule, this Order shall be effective and enforceable immediately upon entry hereof.

12. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

END OF DOCUMENT

Prepared and presented by:

GREENBERG TRAURIG, LLP

/s/ David B. Kurzweil

David B. Kurzweil (Ga. Bar No. 430492)

Matthew A. Petrie (Ga. Bar No. 227556)

Terminus 200

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Atlanta, Georgia 30305

Telephone: (678) 553-2100

Email: kurzweild@gtlaw.com

petriem@gtlaw.com

*Proposed Counsel for the Debtors and
Debtors in Possession*

Exhibit B

Proposed Final Order

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

In re:

AFH AIR PROS, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10356 (PMB)

(Jointly Administered)

Re: Docket No. ____

FINAL ORDER (I) AUTHORIZING THE DEBTORS TO (A) MAINTAIN EXISTING INSURANCE POLICIES, PAY ALL POLICY PREMIUMS, AND RENEW OR ENTER INTO NEW POLICIES, AND (B) CONTINUE INSURANCE PREMIUM FINANCING PROGRAM, PAY INSURANCE PREMIUM FINANCING OBLIGATIONS ARISING IN CONNECTION THEREWITH, AND RENEW SUCH PREMIUM FINANCING ARRANGEMENTS, (II) AUTHORIZING THE DEBTORS TO MAINTAIN THEIR SURETY BOND PROGRAM, PAY OBLIGATIONS IN CONNECTION THEREWITH, AND RENEW OR OBTAIN NEW SURETY BONDS; AND (III) AUTHORIZING BANKS TO HONOR AND PROCESS CHECKS AND ELECTRONIC TRANSFER REQUESTS RELATED THERETO

¹ The last four digits of AFH Air Pros, LLC's tax identification number are 1228. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the claims and noticing agent at <https://www.veritaglobal.net/AirPros>. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 150 S. Pine Island Road, Plantation, Florida 33020.

Upon the *Emergency Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Maintain Existing Insurance Policies, Pay all Policy Premiums, and Renew or Enter Into New Policies, and (B) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising in Connection Therewith, and Renew Such Premium Financing Arrangements; (II) Authorizing the Debtors to Maintain Their Surety Bond Program, Pay Obligations in Connection Therewith, and Renew or Obtain New Surety Bonds; and (III) Authorizing Banks to Honor and Process Checks and Electronic Transfer Requests Related Thereto* (the “Motion”);² and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of these Chapter 11 Cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and this Court having held a hearing (the “Hearing”) to consider the relief requested in the Motion; and upon the First Day Declaration and the record of the Hearing; and the Court having entered an interim order granting the relief requested in the Motion (the “Interim Order”); and good and sufficient cause appearing for the relief set forth in this Order; and after due deliberation thereon,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized to honor the terms of their existing Policies, including making all postpetition payments (including postpetition fees and premiums) with respect to the Policies on an uninterrupted basis and may renew or enter into new Policies as needed without further order of the Court.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

3. The Debtors are authorized to honor the terms of their existing Surety Bonds, including making all postpetition payments with respect to the Surety Bonds and renew or, as necessary, acquire additional bonding capacity as needed in the ordinary course of business, and execute other agreements, as needed, in connection with the Surety Bond Program.

4. The Debtors are authorized to pay any prepetition claims owed under the Policies and Surety Bonds.

5. The Debtors are authorized to honor any prepetition or postpetition obligations under the PFA, as needed, in the ordinary course of business without further application to this Court. The Debtors are further authorized to renew the PFA, and to extend or obtain a replacement premium finance agreement, as needed, in the ordinary course of businesses without further application to this Court.

6. To the extent that the Policies or related agreements may be deemed executory contracts within the meaning of section 365 of the Bankruptcy Code, the Debtors do not at this time seek authority to assume such contracts, no relief is granted in respect thereof, and no determination is made as to whether any such contracts are executory. Nothing in this Order (i) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates; (ii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates; (iii) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against any of the Insurers; or (iv) shall be construed as a promise to pay a claim.

7. Notwithstanding anything to the contrary contained in this Order, any payment, deposit, or other transfer made or to be made under this Order, any authorization contained in this Order, or any claim for which payment is authorized hereunder, shall be subject to the terms and provisions of any orders of this Court approving any debtor-in-possession financing for, or any use of cash collateral by, the Debtors and any approved budget (subject to permitted variances thereto) in connection therewith. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of (a) any such orders approving any debtor-in-possession financing or use of cash collateral or (b) any debtor-in-possession financing agreements and documents related thereto.

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

9. Notwithstanding any applicable Bankruptcy Rule, this Order shall be effective and enforceable immediately upon entry hereof.

10. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

END OF DOCUMENT

Prepared and presented by:

GREENBERG TRAUIG, LLP

/s/ David B. Kurzweil

David B. Kurzweil (Ga. Bar No. 430492)

Matthew A. Petrie (Ga. Bar No. 227556)

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Email: kurzweild@gtlaw.com

petriem@gtlaw.com

*Proposed Counsel for the Debtors and
Debtors in Possession*

Exhibit C
List of Insurance Policies

Type of Policy	Insurer	Policy Number	Term (months)	Approximate Amount of Annual Premium ¹	Expiration Date
Auto – Liability	CNA (Continental Casualty Company)	BUA 7037129073	12	\$1,001,280	May 10, 2025
Auto – Physical Damage	CNA (Continental Casualty Company)	BUA 7039516591	12	\$297,544	May 10, 2025
Crime	Hiscox Insurance Company Inc. Federated Mutual Insurance Company (as to A.5 (ERISA) only)	UC24739713.24	12	\$34,120	May 10, 2025
Cyber	Gallagher (Florida) / BCS Insurance Company	RPS-P-50261627M	12	\$29,700	May 10, 2025
Directors and Officers Difference in Conditions	Endurance American Specialty Insurance Company	ADL30055185000	12	\$230,000	September 30, 2025
Errors & Omissions	Hiscox – Underwriters at Lloyd’s London	ANE4728820.24	12	\$24,071	May 10, 2025
Excess Liability	Endurance American Specialty Insurance Company	EXC30039384501	12	\$333,213	May 10, 2025
Excess Auto	Endurance American Specialty Insurance Company	ELD30059922400	12	\$376,724	May 10, 2025
General Liability	CNA (Continental Casualty Company)	7037129056	12	\$394,293	May 10, 2025

¹ The premium amounts listed in this Exhibit C may include applicable taxes and fees.

Type of Policy	Insurer	Policy Number	Term (months)	Approximate Amount of Annual Premium ¹	Expiration Date
Property	Starr Indemnity & Liability Company	ITC100065376124	12	\$98,987	May 10, 2025
Workers Compensation – California	CNA (Continental Casualty Company)	WC 7 92115796	12	\$706	May 10, 2025
Workers Compensation – All Others	CNA (Continental Casualty Company)	WC 7 37129042	12	\$359,240	May 10, 2025
TOTAL:				\$3,179,878.00	

Exhibit D

Premium Financing Agreement

LENDER:

450 Siskie Blvd, Ste 1000

Personal Commercial Additional Premium

Northbrook, IL 60062-7917
P:(800) 837-3707 F:(800) 837-3709
www.firstinsurancefunding.com

FIRST INSURANCE[®]
FUNDING
A WINTRUST COMPANY

Quote #: 64252919

INSURED/BORROWER (Name and Address as shown on Policy) Air Pros LLC Air Pros Solutions LLC 150 S Pine Island Rd Ste 200 Plantation, FL 33324-2695	Customer ID: N/A	AGENT or BROKER (Name and Business Address) ARTHUR J. GALLAGHER RISK MANAGEMENT SVCS 9155 S. Dadeland Blvd. ste. 1112 Miami, FL 33156
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LOAN DISCLOSURE

Total Premiums, Taxes, and Fees	Down Payment	Unpaid Balance	Documentary Stamp Tax (only applicable in Florida)	Amount Financed (amount of credit provided on your behalf)	FINANCE CHARGE (dollar amount the credit will cost you)	Total of Payments (amount paid after making all scheduled payments)	ANNUAL PERCENTAGE RATE (cost of credit as a yearly rate)
2,954,259.28	295,605.93	2,658,653.35	2,450.00	2,661,103.35	106,264.45	2,767,367.80	8.620 %

YOUR PAYMENT SCHEDULE WILL BE: Mail Payments to: **FIRST Insurance Funding, PO Box 7000, Carol Stream, IL 60197-7000**

Number of Payments	Amount of Each Payment	First Installment Due	6/10/2024
10	276,736.78	Installment Due Dates	10th (Monthly)

Certain information contained in the Loan Disclosure section may change in accordance with Section 19 of this Agreement.

INSURED'S AGREEMENT:

- SECURITY INTEREST.** INSURED/BORROWER ("Insured") grants and assigns FIRST Insurance Funding, A Division of Lake Forest Bank & Trust Company, N.A. ("LENDER") a first priority lien on and security interest in the financed policies and any additional premium required under the financed policies listed in the Schedule of Policies, including (a) all returned or unearned premiums, (b) all additional cash contributions or collateral amounts assessed by the insurance companies in relation to the financed policies and financed by LENDER hereunder, (c) any credits generated by the financed policies, (d) dividend payments, and (e) loss payments which reduce unearned premiums (collectively, the "Financed Policies"). If any circumstances exist in which premiums related to any Financed Policy could become fully earned in the event of loss, LENDER shall be named a loss-payee with respect to such policy.
- FINANCE CHARGE.** The finance charge begins accruing on the earliest effective date of the Financed Policies. The finance charge is computed using a 365-day calendar year.
- LATE PAYMENT.** For commercial loans, a late charge will be assessed on any installment at least 5 days in default, and the late charge will equal 5% of the delinquent installment or the maximum late charge permitted by law, whichever is less. For personal loans, a late charge will be assessed on any installment 10 days in default, and the late charge will be the lesser of \$10 or 5% of the delinquent installment.
- PREPAYMENT.** If Insured prepays the loan in full, Insured is entitled to a refund of the unearned finance charge computed according to the Rule of 78s.

SCHEDULE OF POLICIES

Policy Number	Full Name of Insurance Company and Name of General Agent or Company Office to Which Premium is Paid	Coverage	Policy Term	Effective Date	Premiums, Taxes and Fees
ANE4728820.23	C01651-CERTAIN UNDERWRITERS AT LLOYDS, LONDON G00292-RISK PLACEMENT SERVICES [CX:0] [90%PR]	PROF	12	5/10/2024	24,071.00 ERN TXS/FEES 0.00 FIN TXS/FEES 1,203.55
ITL100065186822	C00172-STARR INDEMNITY & LIABILITY CO G00049-BROWN & RIDING [ME:100.000 %, CX:0] [90%PR]	PKG	12	5/10/2024	98,987.00 ERN TXS/FEES 0.00 FIN TXS/FEES 0.00
(Policies continued on next page.)				TOTAL	2,954,259.28

Q# 64252919, PRN: 062124, CFG: 0% AAInternal - No Restrictions, RT: AJG - % OF A/F, DD: 34, BM: Invoice, Qtd For: A06305 Original, Memo 1

- PROMISE TO PAY.** In consideration of the premium payment by LENDER to the insurance companies listed in the Schedule of Policies (or their authorized representative) or the Agent or Broker listed above, Insured unconditionally promises to pay LENDER, the Amount Financed plus interest and other charges permitted under this Agreement, including the Down Payment if owed and payable directly to LENDER, subject to all the provisions of this Agreement.
 - POWER OF ATTORNEY.** INSURED IRREVOCABLY APPOINTS LENDER AS ITS "ATTORNEY-IN-FACT" with full power of substitution and full authority, in the event of default under this Agreement, to (a) cancel the Financed Policies in accordance with the provisions contained herein, (b) receive all sums assigned to LENDER, and (c) execute and deliver on behalf of Insured all documents relating to the Financed Policies in furtherance of this Agreement. This right to cancel will terminate only after all of Insured's indebtedness under this Agreement is paid in full. Insured is responsible for repayment of the Amount Financed plus interest and other charges permitted under this Agreement, including the Down Payment if owed and payable directly to LENDER, irrespective of whether LENDER exercises this right to cancel the Financed Policies.
 - SIGNATURE & ACKNOWLEDGEMENT.** Insured has received, reviewed, and signed a copy of this Agreement. By signing below, you certify that you have the requisite authority to (a) enter into this Agreement on behalf of Insured (if applicable, including as agent, trustee, executor, or otherwise in a representative capacity) and any other insureds named on the Financed Policies, and (b) jointly and severally agree on behalf of all insureds named on the Financed Policies to all provisions set forth in this Agreement. **Insured acknowledges and understands that entry into this financing arrangement is not required as a condition for obtaining insurance coverage.**
- NOTICE TO INSURED: (1) Do not sign this Agreement before you read both pages of it, or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this Agreement. (3) You have the right to prepay the loan in full and receive a refund of any unearned finance charge. (4) Keep a copy of this Agreement to protect your legal rights. (5) See last page of Agreement for your consent to electronic statement and notice delivery.**

DocuSigned by:

Brian Smith

3C1CC3F58C3E4E1...

Signature of Insured or Authorized Agent

6/21/2024

Date

Zeb Holt

Signature of Agent

6/21/2024

Date

8. APPLICATION OF PAYMENTS. (a) Payments received by LENDER from Insured shall be applied first to installments, then to any unpaid fees. The payment of installments is prioritized over the payment of fees, which means when LENDER receives partial payments or overpayments of any installment(s), amounts previously applied to fees may be reallocated to enable a full installment(s) to be paid. This payment application method may cause fees to reappear as unpaid and owing after the payment period in which the fees were originally assessed and paid, but does not increase or otherwise change the amount of fees that Insured may be required to pay under this Agreement. (b) Any returned premium received by LENDER from the Financed Policies will be applied to reduce the total unpaid balance under this Agreement, which shall not relieve Insured of its obligation to pay any remaining installments due but may reduce the amount of such installments.

9. EFFECTIVE DATE. This Agreement will not become effective until it is accepted in writing by LENDER. LENDER will send a Notice of Acceptance to Insured to confirm this Agreement is effective.

10. DEFAULT/CANCELLATION. Insured is in default under this Agreement if (a) the Down Payment, if to be collected by LENDER, or any payment is not received by LENDER when it is due, (b) a proceeding in bankruptcy, receivership, insolvency or similar proceeding is instituted by or against Insured, or (c) Insured fails to comply with any of the terms of this Agreement. If Insured is in default, LENDER has no further obligation under this Agreement to pay premiums on Insured's behalf, and LENDER may pursue any of the remedies provided in this Agreement or by law. If a default by Insured results in a cancellation of the Financed Policies, Insured agrees to pay a cancellation charge for commercial loans, which will be the maximum permitted by law. No cancellation charge shall apply to personal loans. If cancellation or default occurs, Insured agrees to pay interest on the unpaid balance due at the contract rate until the balance is paid in full.

11. LIMITATION OF LIABILITY. Insured understands and agrees that LENDER or its assignee is not liable for any losses or damages to Insured or any person or entity upon the exercise of LENDER's right of cancellation, except in the event of willful or intentional misconduct by LENDER.

12. INSUFFICIENT FUNDS CHARGE. If Insured's payment is dishonored for any reason and if permitted by law, Insured will pay LENDER an insufficient funds charge equal to the maximum fee permitted by law for commercial loans and \$10 for personal loans.

13. LENDER'S RIGHTS AFTER THE POLICIES ARE CANCELLED. After any Financed Policy is cancelled by any party or if a credit is otherwise generated, LENDER has the right to receive all unearned premiums and other funds assigned to LENDER as security herein and to apply them to Insured's unpaid balance under this Agreement or any other agreement between Insured and LENDER. Receipt of unearned premiums does not constitute payment of installments to LENDER, in full or in part. Any amounts received by LENDER after cancellation of the Financed Policies will be credited to the balance due with any excess paid to the Insured; the minimum refund is \$1.00. Any deficiency shall be immediately paid by Insured to LENDER. Insured agrees that insurance companies may rely exclusively on LENDER's representations about the Financed Policies.

14. ASSIGNMENT. Insured may not assign any Financed Policy or this Agreement without LENDER's prior written consent. LENDER may transfer its rights under this Agreement without the consent of Insured.

15. AGENT OR BROKER. Insured agrees that the Agent or Broker issuing the Financed Policies or through whom the Financed Policies were issued is not the agent of LENDER, except for any action taken on behalf of LENDER with the express authority of LENDER, and LENDER is not bound by anything the Agent or Broker represents to Insured, orally or in writing, that is not contained in this Agreement. Where permissible by law, LENDER may pay some portion of the finance charge or other form of compensation to the Agent or Broker executing this Agreement for aiding in the administration of this Agreement. In NY, the Agent or Broker may assess a fee to Insured for obtaining and servicing the Financed Policies pursuant to NY CLS Ins § 2119. Any questions regarding this payment should be directed to the Agent or Broker.

16. COLLECTION COSTS. Insured agrees to pay reasonable attorney fees, court costs, and other collection costs to LENDER to the extent permitted by law if this Agreement is referred to an attorney or collection agent who is not a salaried employee of LENDER to collect money that Insured owes.

17. GOVERNING LAW. The loan terms subject to this Agreement are governed by applicable federal law and Illinois law (to the extent not preempted by federal law), without regard to principles of conflicts of law or choice of law. If any court finds any term herein to be invalid, such finding will not affect the remaining provisions.

18. WARRANTY OF ACCURACY. Insured represents and warrants that to the best of its knowledge: (a) the Financed Policies are in full force and effect and that the Insured has not and will not assign any interest in the Financed Policies except for the interest of mortgagees and loss payees, (b) the Down Payment and any past due payments have been paid in full to the Agent or Broker or Lender in cash or other immediately available funds, (c) all information provided herein or in connection with the Agreement is true, correct, and not misleading, (d) Insured is not insolvent nor presently involved in any insolvency proceeding, (e) Insured has no indebtedness to the insurance companies issuing the Financed Policies, (f) there is no provision in the Financed Policies that would require LENDER to notify or obtain consent from any other party to effect cancellation of the Financed Policies, and (g) Insured has disclosed if he or she is a covered member of the armed forces or a dependent of a covered member as defined in the Military Lending Act.

19. ADDITIONAL PREMIUMS. (a) Insured expressly agrees to (i) fully and timely comply with all audits by the insurance companies issuing the Financed Policies, (ii) timely provide complete and accurate payroll information, if applicable, and (iii) pay to the insurance companies any additional amount due in connection with the Financed Policies. The Amount Financed shall be applied to the Financed Policies' premium amounts and Insured shall be responsible for any additional premiums or other sums. (b) Insured, or Agent or Broker, may request that LENDER finance additional policies and/or additional premiums (the "Additional Premiums") for Insured during the term of this Agreement. If LENDER agrees, LENDER will send a Notice of Acceptance to Insured to confirm its approval to finance the Additional Premiums. For commercial loans, this Agreement shall be deemed amended on the date of the Notice of Acceptance to consolidate the Additional Premiums with Financed Policies into a single and indivisible loan transaction subject to this Agreement (with applicable changes to the payment schedule), and the Additional Premiums shall be "Financed Policies" on the date of the Notice of Acceptance. For personal loans, LENDER (or Agent or Broker on LENDER's behalf) will provide a separate Premium Finance Agreement to Insured for any Additional Premiums.

20. CORRECTIONS. LENDER may insert the names of insurance companies or policy numbers in the Schedule of Policies, if this information is not known at the time Insured signs this Agreement. LENDER is authorized to correct patent errors or omissions in this Agreement.

21. NON-WAIVER. Not Applicable.

22. ELECTRONIC STATEMENT AND NOTICE DELIVERY. By executing this Agreement, Insured agrees to receive all billing statements, notices, and other communications via electronic delivery in PDF format as permitted by applicable law. It is Insured's responsibility to provide LENDER with true, accurate, and complete e-mail and contact information related to this Agreement and to maintain and update promptly any changes to this information. If Insured wishes to (i) opt out of electronic statement and notice delivery, or (ii) update contact information, Insured can log into Insured's account on www.firstinsurancefunding.com or call (800) 837-3707.

AGENT OR BROKER REPRESENTATIONS AND WARRANTIES

Unless previously disclosed in writing to LENDER or specified in the Schedule of Policies, the Agent or Broker executing this Agreement expressly represents, warrants, and agrees as follows: (1) Insured has received a copy of this Agreement and has authorized this transaction, the signer of this Agreement (whether Insured or its agent) has valid authority to bind Insured and any other insureds named under the Financed Policies to the terms of this Agreement, including the Power of Attorney provision, Insured's signature is genuine, and the Down Payment has been received from Insured (unless the Down Payment was made to Lender), (2) the information contained in the Schedule of Policies including the premium amount is correct and accurately reflects the necessary coverage, (3) the Financed Policies (a) are in full force and effect, (b) are cancellable by Insured or LENDER (or its successors or assigns), (c) will generate unearned premiums which will be computed on the standard short rate or pro rata basis, and (d) do not contain any provisions which affect the standard short rate or pro rata premium computation, including but not limited to direct company bill, audit, reporting form, retrospective rating, or minimum or fully earned premium, (4) the Agent or Broker is either the insurer's authorized policy issuing agent or the broker placing the coverage directly with the insurer, except where the name of the Issuing Agent or General Agent is listed in the Schedule of Policies, (5) to the best of the Agent or Broker's knowledge, there are no bankruptcy, receivership, or insolvency proceedings affecting Insured, (6) Agent or Broker will hold harmless and indemnify LENDER and its successors and assigns against any loss or expense (including attorney's fees, court costs, and other costs) incurred by LENDER and resulting from Agent or Broker's violations of these Representations and Warranties or from Agent or Broker's errors, omissions, or inaccuracies in preparing this Agreement, and will promptly reimburse LENDER for any loss or expense incurred in connection with any incidence of fraud or lack of valid authority on behalf of Insured or any other named insureds with respect to the terms of this transaction, the Agreement, or the Financed Policies, (7) Agent or Broker will (a) hold in trust for LENDER any payments made or credited to Insured through or to Agent or Broker by the insurance companies or LENDER, and (b) pay these monies and the unearned commissions to LENDER upon demand to satisfy the outstanding indebtedness under this Agreement, and (8) to fully and timely assist with all payroll audits.

Policy Number	Full Name of Insurance Company and Name of General Agent or Company Office to Which Premium is Paid	Coverage	Policy Term	Effective Date	Premiums, Taxes and Fees
UC24739713.23	C03376-HISCOX INSURANCE COMPANY G00292-RISK PLACEMENT SERVICES [CX:0] [90%PR]	CRME	12	5/10/2024	22,422.00 ERN TXS/FEES 0.00 FIN TXS/FEES 224.22
WC7037129042	C00052-CONTINENTAL CASUALTY COMPANY [CX:0] [90%PR]	WC	12	5/10/2024	359,243.00 ERN TXS/FEES 0.00 FIN TXS/FEES 0.00
GL7037129056	C00052-CONTINENTAL CASUALTY COMPANY [CX:0] [90%PR]	GL	12	5/10/2024	392,758.00 ERN TXS/FEES 0.00 FIN TXS/FEES 1,535.43
BUA7037129073	C00052-CONTINENTAL CASUALTY COMPANY [CX:0] [90%PR]	AUTO	12	5/10/2024	1,001,280.00 ERN TXS/FEES 0.00 FIN TXS/FEES 344.00
BUA7039516591	C00052-CONTINENTAL CASUALTY COMPANY [CX:0] [90%PR]	PHYD	12	5/10/2024	285,246.00 ERN TXS/FEES 0.00 FIN TXS/FEES 364.26
RPS-P-50261627M	C00005-LLOYDS OF LONDON G00296-RISK PLACEMENT SERVICES [CX:0] [90%PR]	CY LIAB	12	5/10/2024	29,700.00 ERN TXS/FEES 200.00 FIN TXS/FEES 1,495.00
EXL02030214	C02688-ENDURANCE ASSURANCE CORPORATION G00296-RISK PLACEMENT SERVICES [ME:25.000 %, CX:0] [90%PR]	EXLB	12	5/10/2024	333,213.00 ERN TXS/FEES 0.00 FIN TXS/FEES 5,664.62
ELD30059922400	C00222-ENDURANCE AMERICAN SPEC INS CO G00296-RISK PLACEMENT SERVICES [ME:25.000 %, CX:0] [90%PR]	EXLB	12	5/10/2024	376,724.00 ERN TXS/FEES 0.00 FIN TXS/FEES 18,836.20
WC7092115796	C00359-AMERICAN CAS CO READING, PA [CX:0] [90%PR]	WC	12	5/10/2024	748.00 ERN TXS/FEES 0.00 FIN TXS/FEES 0.00

Exhibit E
List of Surety Bonds

Bond No.	Surety	Principal	Obligee	Amount	Date of Bond	Expiration
101370640	Merchants Bonding Company (Mutual)	Hansen Air Pros, LLC	City of Pritchard, AL	\$10,000	January 13, 2025	N/A
101414644	Merchants Bonding Company (Mutual)	Dream Team Air Pros, LLC	Louisiana State Licensing Board for Contractors	\$10,000	February 21, 2025	February 21, 2026
800030221	Atlantic Specialty Insurance Company	Hansen Air Pros, LLC	City of Birmingham	\$10,000	February 16, 2025	February 16, 2026
800030223	Atlantic Specialty Insurance Company	CM Air Pros, LLC	State of Washington	\$6,000	March 30, 2023	N/A
800030244	Atlantic Specialty Insurance Company	East Coast Mechanical, LLC	Florida Construction Industry Licensing Board	\$100,000	February 17, 2025	N/A
TBD ¹	Atlantic Specialty Insurance Company	Air Pros, LLC	Florida Construction Industry Licensing Board	\$100,000	TBD	N/A
800030237	Atlantic Specialty Insurance Company	Hansen Air Pros, LLC	City of Mobile	\$10,000	March 29, 2024	N/A
800030239	Atlantic Specialty Insurance Company	East Coast Mechanical, LLC	Commissioner of the Office of Insurance Regulation of Florida	\$100,000	September 6, 2024	N/A
AL5904498	Merchants Bonding Company (Mutual)	Hansen Air Pros, LLC dba Hansen Supertechs	State Board of Heating, Air Conditioning and Refrigeration Contractors	\$20,000	May 10, 2022	May 10, 2026

¹ This Surety Bond in the amount of \$100,000 for the benefit of the Florida Construction Industry License Board will issue upon the Debtors' payment of the outstanding Surety Bond Obligations with respect to this Surety Bond and Surety Bond No. 800030244.

Bond No.	Surety	Principal	Obligee	Amount	Date of Bond	Expiration
AL5909835	Merchants Bonding Company (Mutual)	Hansen Air Pros, LLC	City of Mobile	\$10,000	May 16, 2022	N/A
AL6128756	Merchants Bonding Company (Mutual)	AFH Air Pros, LLC	State Board of Heating, Air Conditioning and Refrigeration Contractors	\$20,000	December 29, 2022	December 29, 2025
CO5904503	Merchants Bonding Company (Mutual)	Air Pros One Source, LLC	City of Pueblo, CO	\$5,000	May 10, 2022	May 10, 2025
CO5904545	Merchants Bonding Company (Mutual)	Air Pros One Source, LLC	Colorado Springs, CO	\$5,000	May 10, 2022	May 10, 2025
FL5975631	Merchants Bonding Company (Mutual)	Air Pros, LLC	Palm Beach County, FL	\$2,000	July 21, 2022	July 21, 2025
LA6058666	Merchants Bonding Company (Mutual)	Doug's Service Air Pros, LLC	Parish of Ascension, LA	\$5,000	October 13, 2022	October 13, 2025
LA6175693	Merchants Bonding Company (Mutual)	Doug's Service Air Pros	City of Thibodaux, LA	\$5,000	February 17, 2023	January 1, 2026
LA6175708	Merchants Bonding Company (Mutual)	Doug's Service Air Pros	City of Thibodaux, LA	\$2,000	February 17, 2023	January 1, 2026
LA6175712	Merchants Bonding Company (Mutual)	Doug's Service Air Pros	City of Thibodaux, LA	\$5,000	February 17, 2023	January 1, 2026
WA5983003	Merchants Bonding Company (Mutual)	CM Air Pros, LLC	State of Washington	\$12,000	July 28, 2022	N/A
WA5982921	Merchants Bonding Company (Mutual)	CM Air Pros, LLC	State of Washington	\$4,000	July 28, 2022	N/A