



IT IS ORDERED as set forth below:

Date: April 23, 2025

Paul Baisier

**Paul Baisier
U.S. Bankruptcy Court Judge**

**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)

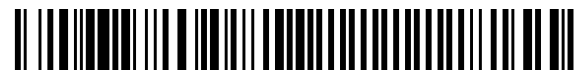
Re: Docket No. 90

**ORDER APPROVING KEY EMPLOYEE INCENTIVE PLAN AND
KEY EMPLOYEE RETENTION PLAN**

Upon the *Motion of the Debtors for Entry of an Order Approving Key Employee Incentive Plan and Key Employee Retention Plan* filed March 27, 2025 [Docket No. 90] (the “Motion”);²

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, Suite 200, Plantation, Florida 33324.

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



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 the Court having considered the Motion and all other matters of record, including the First Day Declaration filed March 16, 2025 [Docket No. 8] and the KEIP/KERP Declaration filed March 27, 2025 and attached as Exhibit B to the Motion; and due and sufficient notice of the Motion having been given under the particular circumstances; and the Court having held a hearing on the Motion on April 23, 2025 at 1:00 p.m. (prevailing Eastern Time) (the “Hearing”); and upon the record of the Hearing and due deliberation; and this Court having determined that there is good and sufficient cause for the relief set forth in this Order; and based on the foregoing, no further notice or hearing is required and the Court finds that good cause exists to grant the relief requested in the Motion; and the Court having considered the Motion and all other matters of record, including the lack of objection thereto,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED to the extent provided herein.
2. The Non-Executive KEIP, as described and set forth in the KEIP Overview attached hereto as Exhibit 1, is approved in all respects.
3. The Executive KEIP, as described and set forth in the Motion, is approved in all respects.
4. The KERP, as described and set forth in the KERP Overview attached hereto as Exhibit 2, is approved in all respects.
5. Any payments earned under the KEIP by the KEIP Participants or under the KERP by the KERP Participants shall, in each case, constitute administrative expenses under section

503(b) of the Bankruptcy Code and entitled to priority in payment under section 507(a)(2) of the Bankruptcy Code.

6. Neither the KEIP, the KERP, nor any individual's participation in the KEIP or the KERP (i) is intended to constitute or shall be interpreted as a promise of employment for any period of time or (ii) is intended or shall be deemed to change a participant's status, if applicable, as an at will employee of the Debtors.

7. To the extent any KEIP Participant or KERP Participant is entitled to an allowed administrative expense claim for severance, any KEIP Payment or KERP Payment, as applicable, made to such KEIP Participant or KERP Participant shall automatically offset and reduce on a dollar-for-dollar basis any such administrative severance claim.

8. 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.

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

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

11. Counsel for the Debtors, through Kurtzman Carson Consultants, LLC d/b/a Verita Global (“Verita”), shall, within three days of the entry of this Order, cause a copy of this Order to be served by electronic mail or first-class mail, as applicable, on all parties served with the Motion, and Verita shall file promptly thereafter a certificate of service confirming such service.

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 ORDER

Prepared and presented by:

GREENBERG TRAURIG, LLP

/s/ Matthew A. Petrie

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

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*Counsel for the Debtors and
Debtors in Possession*

Exhibit 1

KEIP Overview

KEY EMPLOYEE INCENTIVE PLAN (NON-EXECUTIVE)

The Key Employee Incentive Plan (the “Non-Executive KEIP”) of Air Pros Solutions, LLC (“Solutions”) and its direct and indirect subsidiaries (collectively, the “Company”) described herein is designed to incentivize non-executive key employees to achieve optimum financial and operational results based on predetermined net revenue and gross margin targets as set forth herein.

A. KEIP Participants

The Company has limited participation in the Non-Executive KEIP to certain specified non-executive key employees who are vital to the Company’s business and maximizing value (the “Non-Executive KEIP Participants”). The Non-Executive KEIP Participants are comprised of four principal groups (the “KEIP Groups”):¹

- Corporate Management. The Corporate Management group is comprised of key Solutions management employees who are not officers of the Company. The Corporate Management Non-Executive KEIP Participants have oversight over all aspects of the Company’s business and are deemed critical to achieving financial and operational objectives.
- Business Unit (“BU”) General Managers. The BU General Managers are comprised of general managers of each business unit and are critical to the performance of their respective business unit.
- Call Center Management. The Call Center Management group is comprised of key employees who manage call center operations for the Company’s businesses.
- Solutions (Non-Management). The Solutions (Non-Management) group is comprised of key Solutions non-management employees who influence business management and financial and operational performance but are not dedicated to a specific business unit.

B. KEIP Metrics and Targets

The Non-Executive KEIP appropriately motivates and rewards Non-Executive KEIP Participants in connection with their efforts to successfully reach prescribed targets based on achievement of predetermined net revenue and gross margin targets.

Each Non-Executive KEIP Participant shall be entitled to a bonus payment (a “KEIP Payment”) if both of the following achievements are met (the “KEIP Targets”):

- (i) *Revenue Target*. The Applicable Business Unit achieves the applicable Revenue Targets set forth in the schedules below; and
- (ii) *Gross Margin Target*. The Applicable Business Units achieve an aggregate gross margin (per the Company’s published financial statements) during the

¹ The Company reserves the right to add additional non-insiders as Non-Executive KEIP Participants and to reasonably reallocate KEIP Payments, provided that the aggregate additional KEIP Payments and KERP Payments (as defined in the KERP Overview) will not exceed \$250,000 in the aggregate.

Measurement Period that is equal to or greater than the Applicable Business Unit's gross margin in the Prior Year Measurement Period as set forth in the schedules below (the "Gross Margin Target").

The amount of the KEIP Payment earned by and payable to each Non-Executive KEIP Participant shall be determined based on the following schedules:²

Revenue Target	KEIP Payment³
Milestone 1	5 – 10% of such KEIP Participant's base salary
Milestone 2	4 – 8% of such KEIP Participant's base salary
Milestone 3	4 – 7% of such KEIP Participant's base salary

Revenue Target	Gross Margin Target	KEIP Group
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$25,003,000 , but less than \$30,003,000	44.1%	Corporate Management, Call Center Management, or Solutions (Non-Management)
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$30,003,000 , but less than \$33,337,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$33,337,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$7,135,000 , but less than \$8,562,000	40.3%	<u>BU General Managers:</u> CM
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$8,562,000 , but less than \$9,514,000		

² For the avoidance of doubt, no KEIP Payments shall be earned or payable if (i) the Applicable Business Unit's gross margin for the Measurement Period is less than the Applicable Business Unit's gross margin for the Prior Year Measurement Period, or (ii) the Applicable Business Unit does not achieve the applicable Revenue Targets. To the extent that the Measurement Period is shortened or extended, the KEIP Targets set forth herein shall be adjusted accordingly to reflect the shortened or extended Measurement Period.

³ The amount of the KEIP Payment as a percentage of Base Salary will vary by individual based on, among other considerations, the KEIP Participant's KEIP Group and the business unit with which the KEIP Participant is affiliated.

Revenue Target	Gross Margin Target	KEIP Group
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$9,514,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$6,577,000 , but less than \$7,892,000	50.8%	<u>BU General Managers:</u> East Coast Mechanical
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$7,892,000 , but less than \$8,769,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$8,769,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$6,194,000 , but less than \$7,432,000	33.4%	<u>BU General Managers:</u> Hansen
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$7,432,000 , but less than \$8,258,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$8,258,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$2,789,000 , but less than \$3,347,000	54.1%	<u>BU General Managers:</u> Dallas
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$3,347,000 , but less than \$3,719,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$3,719,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$2,308,000 , but less than \$2,769,000	51.5%	<u>BU General Managers:</u> One Source
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$2,769,000 , but less than \$3,077,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$3,077,000		

Revenue Target	Gross Margin Target	KEIP Group
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$971,000 , but less than \$1,165,000	46.9%	<u>BU General Managers:</u> Doug's
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,165,000 , but less than \$1,295,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,295,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$716,000 , but less than \$860,000	36.0%	<u>BU General Managers:</u> Boca
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$860,000 , but less than \$955,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$955,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$799,000 , but less than \$958,000	37.8%	<u>BU General Managers:</u> Ocala
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$958,000 , but less than \$1,065,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,065,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$327,000 , but less than \$392,000	57.4%	<u>BU General Managers:</u> Orlando
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$392,000 , but less than \$436,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$436,000		

Revenue Target	Gross Margin Target	KEIP Group
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,502,000 , but less than \$1,802,000	31.1%	<u>BU General Managers:</u> Davie
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,802,000 , but less than \$2,002,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$2,002,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$279,000 , but less than \$335,000	51.7%	<u>BU General Managers:</u> Tampa
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$335,000 , but less than \$372,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$372,000		
Milestone 1: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,004,000 , but less than \$1,253,000	42.5%	<u>BU General Managers:</u> Dream Team
Milestone 2: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,253,000 , but less than \$1,392,000		
Milestone 3: Actual Revenue of the Applicable Business Unit is equal to or greater than \$1,392,000		

Exhibit 3 attached to the order approving the KEIP, sets forth each Non-Executive KEIP Participant and their respective base salary, Gross Margin Target, Revenue Target Milestones, and applicable KEIP Payments that may be earned upon achievement of the applicable Non-Executive KEIP Targets.

For purposes of the Non-Executive KEIP, the following terms have the following respective meanings:

- “Actual Revenue” means the aggregate “net revenue” (per the Company’s published financial statements) for the Measurement Period.
- “Applicable Business Unit” means, as applicable, (a) with respect to Non-Executive KEIP Participants who are Corporate Management, Call Center Management, or Solutions (Non-Management): East Coast Mechanical, CM Air Pros, Dallas Plumbing,

One Source, and Hansen business units of the Company, collectively; or (b) with respect to Non-Executive KEIP Participants who are BU General Management, the specific business unit with which such Non-Executive KEIP Participant is employed.

- “Measurement Period” means the period commencing February 1, 2025, through and including May 31, 2025, or such other date as the Company deems appropriate.
- “Prior Year Measurement Period” means the period commencing February 1, 2024, through and including May 31, 2024, or other such date that is commensurate with the “Measurement Period”.

C. KEIP Payments

KEIP Payments will be made on June 30, 2025 (the “KEIP Payment Date”) or such earlier date as the Company deems appropriate, or if the Non-Executive KEIP Participant executes an employment agreement with a party approved of by the Company. Only Non-Executive KEIP Participants that are on the Company’s payroll as of the payment date will be entitled to receive KEIP Payments; provided that any Non-Executive KEIP Participant that is on payroll on June 30, 2025 but is terminated other than for cause prior to the KEIP Payment Date shall be entitled to his or her KEIP Payment.⁴ Upon voluntary termination or termination for cause prior to the receipt of any KEIP Payment, a Non-Executive KEIP Participant’s KEIP Payment, if any, will be forfeited. Such forfeited KEIP Payments will not be made available to other employees.

⁴ As used herein, “cause” means (i) the willful failure to perform the employee’s duties, (ii) commission of any material act of fraud or dishonesty against the Company, (iii) conviction of or a plea of guilty or nolo contendere to a crime that constitutes a felony or a crime that constitutes a misdemeanor involving moral turpitude, (iv) embezzlement, misappropriation, or fraud, whether or not related to employment with the Company, or (v) material violation of the Company’s written policies or codes of conduct.

Exhibit 2

KERP Overview

KEY EMPLOYEE RETENTION PLAN

The Key Employee Retention Plan (the “KERP”) of Air Pros Solutions LLC and its direct and indirect subsidiaries (collectively, the “Company”) described herein is designed to retain certain key non-management employees.

D. KERP Participants

The Company has limited participation in the KERP to certain specified key non-management employees who are essential to the successful operations of the Company (the “KERP Participants”). **Exhibit 3** attached to the order approving the KERP sets forth each KERP Participant and their respective base salary (“Base Salary”), role with the Debtors, and KERP Payment that may be earned by such KERP Participant. The Company reserves the right to add additional non-insiders as KERP Participants and to reasonably reallocate KERP Payments, provided that the aggregate additional KERP Payments and KEIP Payments (as defined in the KEIP Overview) will not exceed \$250,000 in the aggregate.

E. KERP Payments

Subject to satisfying certain employment criteria described herein, on June 30, 2025, or such earlier date as the Company deems appropriate in its sole discretion (the “KERP Payment Date”), each KERP Participant shall receive a bonus payment (the “KERP Payment”) in an amount between 8% and 17% of such KERP Participant’s Base Salary.

Only KERP Participants that are on the Company’s payroll as of the KERP Payment Date will be entitled to receive a KERP Payment on such date. Upon voluntary termination or termination for cause prior to the receipt of the KERP Payment, a KERP Participant’s KERP Payment for such period, if any, will be forfeited.¹ Such forfeited KERP Payments will not be made available to other employees.

¹ As used herein, “cause” means (i) the willful failure to perform the employee’s duties, (ii) commission of any material act of fraud or dishonesty against the Company, (iii) conviction of or a plea of guilty or nolo contendere to a crime that constitutes a felony or a crime that constitutes a misdemeanor involving moral turpitude, (iv) embezzlement, misappropriation, or fraud, whether or not related to employment with the Company, or (v) material violation of the Company’s written policies or codes of conduct.

Exhibit 3

KEIP Participants and KERP Participants

[FILED UNDER SEAL]