

**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)

**STIPULATION REGARDING LENDER CLAIMS SOLELY
FOR THE PURPOSE OF VOTING ON THE DEBTORS' SECOND
AMENDED JOINT CHAPTER 11 PLAN OF LIQUIDATION OF AFH AIR PROS,
LLC AND ITS DEBTOR AFFILIATES PURSUANT TO BANKRUPTCY RULE 3018**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) in the above captioned cases (the “Chapter 11 Cases”), the Prepetition Lenders, and the DIP Lenders (collectively, the “Lender Parties” and together with the Debtors, the “Parties”)² hereby enter into this stipulation (the “Stipulation”) and stipulate and agree as follows:

RECITALS

WHEREAS, on March 16, 2025, the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”, and the date of such filing, the “Petition Date”) in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”). The Chapter 11 Cases are jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy

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 but undefined terms shall have the meaning ascribed to them in the *Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates* [D.I. 478] (as may be amended, modified, or supplemented, the “Plan”).



Rules”) and the *Amended Order Authorizing and Directing the Joint Administration of the Debtors’ Chapter 11 Cases for Procedural Purposes Only* [D.I. 84];

WHEREAS, the Debtors and the Prepetition Lenders entered into that certain Credit Agreement, dated as of October 31, 2022 (as amended, amended and restated, supplemented, or otherwise modified from time to time on or prior to the Petition Date) (the “Prepetition Credit Agreement” and the loans provided thereunder, the “Prepetition Loans”);

WHEREAS, as of the date of this Stipulation, the Prepetition Lenders hold Prepetition Lender Secured Claims and a Prepetition Lender Deficiency Claim (together, the “Prepetition Lender Claims”) on account of the Prepetition Loans;

WHEREAS, on March 18, 2025, the Court entered the *Interim Order (A) Authorizing the Debtors to Obtain Postpetition Financing and to Use Cash Collateral, (B) Granting Liens and Superpriority Claims, (C) Granting Adequate Protection, (D) Modifying the Automatic Stay, (E) Scheduling Final Hearing, and (F) Granting Related Relief* [D.I. 32] (the “Interim DIP Order”), and on April 23, 2025, the Court entered the *Final Order (A) Authorizing the Debtors to Obtain Postpetition Financing and to Use Cash Collateral, (B) Granting Liens and Superpriority Claims, (C) Granting Adequate Protection, (D) Modifying the Automatic Stay, and (E) Granting Related Relief* [D.I. 255] (the “Final DIP Order,” and together with the Interim DIP Order, the “DIP Orders”);

WHEREAS, pursuant to the DIP Orders, the Debtors were authorized to obtain a senior secured priming and superpriority debtor-in-possession credit facility (the “DIP Facility”) up to an aggregate principal amount of \$20,000,000 (the “DIP Loans”) from the DIP Lenders;

WHEREAS, as of the date of this Stipulation, the DIP Lenders hold DIP Lender Claims (together with the Prepetition Lender Claims, the “Lender Claims”) on account of the DIP Loans;

WHEREAS, on April 29, 2025, the Court entered the *Order (I) Fixing Deadlines for Filing Proofs of Claim and (II) Approving the Form and Manner of Notice Thereof* [D.I. 283];

WHEREAS, on June 18, 2025, the Debtors filed the *Second Amended Disclosure Statement for the Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates* [D.I. 462] (the “Disclosure Statement”);

WHEREAS, on June 24, 2025, the Court entered the *Order (A) Approving the Disclosure Statement on an Interim Basis, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Hearing on Final Approval of the Disclosure Statement and Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadline* [D.I. 477] (the “Disclosure Statement Order”), approving the adequacy of the Disclosure Statement and, among other things, establishing July 28, 2025, at 4:00 p.m. (prevailing Eastern Time) as the voting deadline for the Plan;

WHEREAS, on June 24, 2025, the Debtors filed the Plan;

WHEREAS, as of the date hereof, the Lender Parties have not filed any proofs of claim on account of their Lender Claims, as applicable, pursuant to the terms of the DIP Orders; and

WHEREAS, the Debtors and the Lender Parties have reached an agreement, solely for the purpose of the Prepetition Lenders voting on the Plan pursuant to Bankruptcy Rule 3018(a), regarding the amount of each of the Prepetition Lender Claims and entered into this Stipulation.

IT IS THEREFORE STIPULATED AND AGREED UPON THAT:

1. This Stipulation is effective as of the date hereof.
2. The Parties agree that, in accordance with the terms of the Plan and solely for the

purposes of voting on the Plan, the Prepetition Lenders hold a Class 3 Prepetition Lender Secured Claim in the amount of \$9,280,000.

3. The Parties further agree that, in accordance with the terms of the Plan and solely for the purposes of voting on the Plan, the Prepetition Lenders hold a Prepetition Lender Deficiency Claim in the amount of \$126,159,204, which constitutes a Class 4 General Unsecured Claim under the Plan.

4. The amounts ascribed to the Prepetition Lender Secured Claim and the Prepetition Lender Deficiency Claim pursuant to this Stipulation are without prejudice to each of the Parties' respective rights and obligations under and pursuant to the Plan, applicable bankruptcy and non-bankruptcy law, and equitable principles as to the future determination of the value of the Lender Claims. Except as expressly provided for in this Stipulation with respect to the Lender Claims, nothing herein is or shall be deemed to be: (a) a final determination, allowance or disallowance of any Lender Claim for any purpose whatsoever, (b) an admission, release or waiver of any rights with respect to the Lender Claims against any of the Debtors including, without limitation, as to the amount, extent, validity or priority of the Lender Claims, (c) a waiver of the Lender Parties' right to treat any unpaid portion of the DIP Lender Claims as a Prepetition Lender Deficiency Claim under the Plan, or (d) a release or waiver of any rights of the Parties to assert any and all objections, defenses, or counterclaims or other rights in respect of the Lender Claims.

5. Nothing in this Stipulation, nor any act performed or document executed pursuant to or in furtherance of this Stipulation, is or may be deemed to be or may be used as an admission of, or evidence of, the validity or invalidity of any aspect, including priority, of the Lender Claims against the Debtors or of any other claim or right of any kind, or of any wrongdoing or liability of

the Debtors or Lender Parties in the Chapter 11 Cases, or any other matter pending before the Court.

6. Nothing in this Stipulation, whether express or implied, is intended or shall be construed to confer upon any person other than the Parties, and their respective successors, assigns, heirs, executors, administrators and liquidators, any right, remedy or claim under or by reason of this Stipulation. The provisions contained in this Stipulation are and shall be for the sole and exclusive benefit of the Parties for sole purposes of voting on the Plan.

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STIPULATED AND AGREED TO BY:

Dated: July 28, 2025

GREENBERG TRAURIG, LLP

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