

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

In re:

AFH AIR PROS, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10356 (PMB)

(Jointly Administered)

**DECLARATION OF ANDREW D.J. HEDE IN  
SUPPORT OF THE DEBTORS' SALE MOTION**

I, Andrew D.J. Hede, pursuant to 28 U.S.C. § 1746 and under penalty of perjury, declare the following to the best of my knowledge, information, and belief:

1. I am a Senior Managing Director of Accordion Partners, LLC (“Accordion”) and Head of Accordion’s Turnaround & Restructuring Practice. I have over 30 years of financial and operational transformation and restructuring experience in both the United States and Australia. I specialize in advising companies, creditors, and equity sponsors in distressed and non-distressed situations, focusing on financial and operational reviews, liquidity management, performance improvement, business and asset divestment, business plan preparation and review, recapitalization strategies, and negotiation of reorganization plans. I have regularly served in an interim management capacity, including as Chief Executive Officer, President, Chief Restructuring Officer, and Chief Transformation Officer. My experience covers a broad range of sectors with extensive experience in consumer products and retail, real estate and construction, media and telecom, and transportation and distribution.

<sup>1</sup> 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. Accordion has been retained by the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) as financial advisors since March 2024. In addition, I have been retained to serve as the Chief Restructuring Officer (“CRO”) of the Debtors in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) beginning in September 2024. I am authorized to submit this declaration on behalf of the Debtors.

3. This Declaration is being submitted in connection with the *Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors’ Assets, (B) Approving the Debtors’ Entry into the Stalking Horse Purchase Agreements and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [D.I. 34, as amended by D.I. 55] (the “Sale Motion”).<sup>2</sup>

4. Based on my review of public and non-public documents and my discussions with, and information provided by, other members of the Debtors’ management team, employees, agents, and advisors, and certain members of my engagement team, I am familiar with the Debtors’ business, financial condition, policies and procedures, day-to-day operations, and books and records. Except as otherwise noted, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from other members of my engagement team or from the

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<sup>2</sup> Capitalized terms used but not defined otherwise herein shall have the meanings ascribed to them in the Sale Motion.

Debtors' employees, agents, attorneys, and advisors, the accuracy and completeness of which information I relied upon to provide this declaration. If called upon to testify, I would testify competently to the facts set forth in this declaration.

**Prepetition Sale Efforts; Entry into Stalking Horse Purchase Agreements**

5. In the months leading up to the Petition Date, the Debtors and their advisors considered and analyzed multiple potential strategic and restructuring alternatives to address the Debtors' financial and operational performance, liquidity issues and capital structure before concluding that commencing a sale process was the most viable path to preserve and maximize the value of the Debtors' businesses and assets.

6. To that end, and after my appointment as the Debtors' CRO, the Debtors re-engaged their investment banker, Jefferies LLC ("Jefferies"), who had previously marketed the Debtors as a going concern in the second half of 2023, to again explore a potential sale of the Debtors as a going concern in one or more sales transactions. I understand that Jefferies contacted sixty (60) prospective strategic and financial buyers during this time, resulting in the Debtors receiving eighteen (18) indications of interest ("IOIs"). The Debtors reviewed the IOIs to determine how best to maximize the value of the Debtors' assets and invited the interested parties to submit bids.

7. Thereafter, in the months leading up to the Petition Date, the Debtors and their advisors actively negotiated drafts of asset purchase agreements and associated documents. Prior to commencing these Chapter 11 Cases, the Debtors were able to execute six (6) Stalking Horse Purchase Agreements for the sale of all their business units, against which higher or otherwise better offers may be sought. These Stalking Horse Purchase Agreements, as described in greater detail in the Sale Motion, ultimately set the floor for a competitive bidding process in these Chapter 11 Cases.

**Bankruptcy Court-Approval of Stalking Horse Purchase Agreements;  
Debtors' Postpetition Marketing Efforts**

8. On April 14, 2025, this Court entered the *Order (A) Establishing Bidding Procedures Relating to the Sale of the Debtors' Assets, (B) Approving the Debtors' Entry into the Stalking Horse Purchase Agreements and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief*[D.I. 193] (the “Bidding Procedures Order”).

9. Among other things, the Bidding Procedures Order authorized the Debtors' designation of the six (6) Stalking Horse Purchase Agreements for all of the Debtors' business units, and established May 5, 2025 at 4:00 p.m. (Eastern Time) as the Bid Deadline.

10. After the Debtors filed the Sale Motion and continuing through expiration of the Bid Deadline, Jefferies continued to market the Debtors' assets. However, the Debtors did not receive any Qualified Bid by the Bid Deadline, other than those submitted by the Stalking Horse Bidders. Accordingly, the Debtors cancelled the Auction and designated the Stalking Horse Bidders as the Successful Bidders for the assets covered under the Successful Bidders' respective Stalking Horse Purchase Agreements.

11. As of the date hereof, the Debtors and the One Source Stalking Horse Bidder are in dispute over each of the parties' performance under the One Source Stalking Horse Purchase Agreement. Accordingly, at this time, whether the Debtors are moving forward with the One Source Stalking Horse Purchase Agreement at the upcoming Sale Hearing is under review.

**Stalking Horse Purchase Agreements**

12. True and correct copies of the Stalking Horse Purchase Agreements are attached as Exhibits A to the proposed Sale Orders filed with this Court at Docket Nos. 363 through 367.<sup>3</sup>

- a. Docket No. 364-2 is the Doug's/Dream Team/Hansen Stalking Horse Purchase Agreement by and among Air Pros Solutions, LLC, Doug's Service Air Pros, LLC, Dream Team Air Pros, LLC, Hansen Air Pros, LLC, Buddy's Heating & Cooling, L.L.C., Southern Air of Thibodaux, LLC and Hansen Super Techs, LLC.
- b. Docket No. 363-2 is the ECM Stalking Horse Purchase Agreement by and among Air Pros Solutions, LLC, East Coast Mechanical, LLC, and East Coast Mechanical Home Services LLC.
- c. Docket No. 366-2 is the Dallas Plumbing Stalking Horse Purchase Agreement by and among Air Pros Solutions, LLC, Dallas Plumbing Air Pros, LLC, and Columbia Home Services LLC.
- d. Docket No. 367-2 is the CM/Air Force Stalking Horse Purchase Agreement by and among Air Pros Solutions, LLC, Air Pros Atlanta, LLC, CM Air Pros, LLC, Air Pros Washington, LLP, AFH Air Pros, LLC and Reliance US Holdings II Inc.
- e. Docket No. 365-2 is the Air Pros Legacy Stalking Horse Purchase Agreement by and among Air Pros Solutions, LLC, Air Pros, LLC, Air Pros West LLC, Air Pros Boca LLC and Air Today Holdings L.L.C., as amended by that certain First Amendment to Asset Purchase Agreement, dated as of April 11, 2025.

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<sup>3</sup> The filed Stalking Horse Purchase Agreements exclude the disclosure schedules, form exhibits, and personal information or otherwise commercially sensitive information.

**The Sale Maximizes the Value of the Debtors' Assets**

13. I believe that the Sales to the Stalking Horse Bidders with whom the Debtors are moving forward at the Sale Hearing maximizes the value of the Debtors' Assets for the benefit of the Debtors' stakeholders.

14. I was actively involved with the negotiation of each of the Stalking Horse Purchase Agreements. The Stalking Horse Purchase Agreements are the product of good-faith, arm's-length negotiations between the Debtors and the Stalking Horse Bidders. Importantly, the Debtors were able to negotiate for the continued employment of almost all their employees and for the buyers to provide uninterrupted services to the Debtors' customers, leaving most employees and customers unimpacted by these Chapter 11 Cases.

15. Based on my experience, the process the Debtors employed—both prepetition and, pursuant to the Bidding Procedures, postpetition—maximized the value of the Debtors' assets in these Chapter 11 Cases and under the circumstances. The Debtors entered into the Stalking Horse Purchase Agreements, and designated the Stalking Horse Bidders as the Successful Bidders, after conducting multiple, exhaustive sale processes that market checked the value of their assets.

16. The Stalking Horse Purchase Agreements do not provide for the sale of the Debtors' and their estates' claims—including, without limitation, commercial tort claims and avoidance actions—against any of the Debtors' insiders (as that term is defined in section 101(31) of the Bankruptcy Code).

**Conclusion**

17. The Sales to the Stalking Horse Bidders represent the best, if not the only, opportunity for the Debtors to maximize value and preserve their going-concern value for the benefit of their stakeholders. I believe that time is of the essence. If the Sales are not expeditiously

consummated, the Debtors risk losing employees and existing customers, decimating the value of the Debtors' businesses.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 16, 2025

/s/ Andrew D.J. Hede

Andrew D.J. Hede

Chief Restructuring Officer

AFH Air Pros, LLC, *et al.*