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IT IS ORDERED as set forth below:

Date: June 23, 2025

P. 1 Baisie

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 Nos. 195, 282, 291, 419

CONSENT ORDER ON MOTION FOR RELIEF FROM THE AUTOMATIC STAY

This matter came before the Court upon the Motion of Jack Denton for Relief from the

Automatic Stay Pursuant to 11 U.S.C. § 362 dated April 14, 2025 [D.I. 195] (the "Motion") filed

by creditor Jack Denton ("Movant"), the objection to the Motion filed by the above-captioned

debtors and debtors-in-possession (the "Debtors") on April 28, 2025 [D.I. 282] (the "Objection"),

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 <u>https://www.veritaglobal.net/AirPros</u>. 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.



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the reply in support of the Motion filed by Movant on May 1, 2025 [D.I. 291], and the supplemental briefing filed by Movant on May 21, 2025 [D.I 419]. In the Motion, Movant seeks relief from the automatic stay to pursue a direct action against the Debtors' (former) insurer, United Specialty Insurance Company ("<u>USIC</u>"), in connection with a default judgment Movant secured pre-petition against Debtor Air Pros One Source, LLC ("<u>One Source Debtor</u>").

The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); 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 conducted a preliminary hearing on the Motion on May 7, 2025 at 1:00 p.m. (prevailing Eastern Time) and scheduled a further hearing on the Motion for June 23, 2025 at 9:30 a.m. (prevailing Eastern Time). Movant and the Debtors have represented to the Court that they have resolved all pending disputes regarding the Motion and Objection and have consented to the entry of this Order. Based on the foregoing, the Court finds that good cause exists to grant limited relief from the automatic stay, subject to the agreed terms of this Order.

IT IS HEREBY ORDERED THAT:

1. The automatic stay imposed by section 362(a) of the Bankruptcy Code is lifted to permit (i) Movant to pursue a direct action against USIC to recover under the applicable insurance policy or otherwise, and (ii) the One Source Debtor to proceed with its appeal of the default judgment obtained by Movant in Colorado state court.

2. Movant may not seek to recover from the Debtors outside the claims process in these chapter 11 cases. The automatic stay imposed by section 362 of the Bankruptcy Code (and any injunction that may be imposed by a chapter 11 plan) shall remain in place as to any efforts

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by Movant to collect any amount from the Debtors outside of this Court and the chapter 11 claims process.

3. Any amounts recovered by Movant outside of this Court relating to its claim against the Debtors (including any claim(s) Movant may pursue against USIC or any other third party outside of this Court), shall reduce, on a dollar-for-dollar basis, any claim filed by Movant in these chapter 11 cases.

4. Until the earlier of (i) such time as the chapter 11 plan filed by the Debtors has been confirmed and the effective date has occurred, or (ii) September 1, 2025, the automatic stay shall remain in place with respect to discovery matters and Movant may not seek any formal or informal discovery from the Debtors or their personnel. The foregoing parties reserve all of their respective rights with respect to any such future discovery requests. Nothing herein shall limit Movant's right to seek discovery from, or communicate directly with, USIC upon entry of this Order.

5. Nothing in this Order shall be construed as a finding or conclusion that Movant has, or is entitled to assert, a claim against the Debtors' respective estates.

6. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

END OF DOCUMENT

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Prepared and presented by:

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Consented to by:

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