

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

In re:

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

Chapter 11  
Case No. 25-10356 (PMB)  
(Jointly Administered) Lead Case

**VALLEY NATIONAL BANK, N.A.’S OBJECTION TO WIND DOWN DEBTORS’  
MOTION FOR (A) ENTRY OF A FINAL DECREE CLOSING CERTAIN OF THE  
CHAPTER 11 CASES; (B) ORDER DIRECTING THAT THE ADMINISTRATION OF  
ALL REMAINING MATTERS IN RESPECT OF AFFILIATE CASES TAKE PLACE IN  
THE REMAINING CASE; (C) AMENDMENT OF THE ORDER DIRECTING JOINT  
ADMINISTRATION OF THE CHAPTER 11 CASES; AND (D) GRANTING RELATED  
RELIEF**

Valley National Bank, N.A. (“Valley”) hereby files this objection to the Wind Down Debtors Motion for (A) Entry of a Final Decree Closing Certain of the Chapter 11 Cases; (B) Order Directing that the Administration of All Remaining Matters in Respect of Affiliate Cases Take Place in the Remaining Case; (C) Amendment of the Order Directing Joint Administration of the Chapter 11 Cases; and (D) Granting Related Relief and states:

**Jurisdiction**

1. The relief sought by this Objection is based upon Federal Rules of Bankruptcy Procedure 3022.

**Background**

2. On March 16, 2025 (the “Petition Date”), Air Pros Solutions, LLC (the “Debtor”) filed a voluntary petition in this Court for relief under Chapter 11 of the Bankruptcy Code.

3. Prior to filing the instant bankruptcy action, on October 23, 2023, Valley issued

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<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, for which joint administration has been requested, 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>.



and Debtor, Air Pros Solutions, LLC, executed a Clean, Irrevocable and Unconditional Standby Letter of Credit in the amount of \$935,000.00 (the "Letter of Credit"). The Letter of Credit was increased on November 10, 2023, by \$467,500 and again on February 10, 2024, also by \$467,500.00. Thereafter a subsequent amendment was executed increasing the Letter of Credit in definitive increments at regular intervals so the Letter of Credit was \$3,449,000.00 as of February 10, 2025. Attached hereto as Composite Exhibit "A" is the Standby Letter of Credit and the Amendment.

4. The purpose of the Letter of Credit was to secure the Debtor's obligations to Continental Casualty Company ("CNA") under certain insurance policies including automotive liability and workers compensation policies (the "Policies"), including the payment of deductibles.

5. As part of this transaction, also on July 5, 2024, the Debtor executed a Pledge Agreement whereby the Debtor pledged, assigned and granted a security interest and lien upon a Money Market Account at Valley and in the name of the Debtor, account number x7300 (the "Pledged Account"). Attached hereto as Exhibit "B" is the Pledge Agreement. The Debtor was not permitted to make any withdrawals from or terminate the Pledged Account.

6. On Schedule A/B [D.E. #9], the Debtor lists the Pledged Account with a balance of \$2,150,000.00. The Debtor correctly indicates that the account secures the Letter of Credit and is restricted.

7. The Debtor previously stated that it did not have any prepetition obligations outstanding in connection with the Letter of Credit or the Pledged Account, and the Debtor has not previously sought any authority to satisfy any such obligations (i.e. no claims were made under the automotive and workers' compensation policies). To the best of Valley's knowledge and belief, there have been no events between the Debtor and CNA post-petition that would give rise to cause

CNA to draw on the Letter of Credit or create any claims against the Pledged Account. No claims have been made against any insurance policy secured by the Letter of Credit.

8. Despite these circumstances, on September 25, 2025, the beneficiary of the Letter of Credit, namely CNA, initiated a site draft to effect a draw against the Letter of Credit in the full amount of \$3,449,000.00, which is significantly higher than the funds in the Pledged Account.<sup>2</sup> Valley is in negotiations with CNA to maintain the Letter of Credit and avoid any draw until it is clear that no claims have been made against the secured policies and it appears that the Debtor does not have any ongoing obligations to CNA as the relevant policies expired on July 9, 2025, following the liquidation of companies associated with the Debtor.

9. In the context of negotiations with CNA, it was discovered that apparently none of the Debtor's employees or affiliated employees were noticed of the Debtor's and its affiliates bankruptcy cases, such that any potential workers compensation claims could have been liquidated and resolved through the claims administration process. Alternatively, to the extent that employees were noticed without disclosure of the names of such individuals, it cannot be determined if they were noticed or not. This leaves such potential claimants without due process. Additionally, this apparent lack of notice to employees unreasonably and inequitably shifts the burden for such potential claims on CNA and, by extension, upon Valley, without sufficient security to satisfy such potential claims.

10. Valley and CNA were working on a solution to this problem by extending the Letter of Credit and rescinding the non-renewal notice along with an agreement to pay claims, if any, from the Letter of Credit on an "as needed" basis. Unfortunately, the Debtor has apparently refused

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<sup>2</sup> The draw initiated by CNA was likely the result of Valley issuing a non-renewal notice believing that the policies had expired and there were no pending claims related to the policies.

to allow CNA to resolve this issue in the manner proposed by Valley and CNA.

11. The Debtor is disregarding that such a resolution would likely generate the return of the Pledged Account up to the amount of \$2,150,000.00 for the benefit of the estate and its creditors. The Pledged Account contains funds placed there by the Debtor and any remaining funds after payment of any legitimate workers' compensation claims would be returned to the Debtor for distribution under the terms of the confirmed plan. This is potentially a substantial sum which should not be ignored.

12. It seems inequitable and prejudicial to creditors for the Debtor to simply allow the Letter of Credit to be drawn upon, thus creating a full draw down of the Pledged Account to pay CAN, when such a draw down is likely unnecessary and will deprive the estate of in excess of \$2 million dollars.

13. The Debtor, Air Pros Solutions, LLC, which holds title to the Pledged Account is one of the affiliate Debtors for which a final decree is sought. In the Motion for Final Decree, the Debtor notes that one entity will remain open, AFH Air Pros, LLC. However, the entity that signed the Pledge Agreement and placed the funds in the Pledged Account, *Air Pros Solutions, LLC* will be closed, which will prejudice Valley's position in regard to being able to deal directly with that entity.

### **Objection**

14. Valley objects to the entry of a final decree in this case because the existence of an unresolved asset (the Pledged Account) and the potential for unresolved workers compensation claims prevents the case of Air Pros Solutions, LLC from being "fully administered" pursuant to Bankruptcy Rule 3022.

15. “[B]ankruptcy courts have flexibility in determining whether an estate is fully administered considering the factors set forth in [Fed.R.Bankr.P.] 3022, along with any other relevant factors”. *In re Shotkoski*, 420 B.R. 479, 483 (8th Cir. BAP 2009)(emphasis added); *In re Provident Financial, Inc.*, 2010 WL 6259973 at \*9, 2010 Bankr. LEXIS 5047 at \*26 (9th Cir. BAP 2010). The conclusion as to whether a case is fully administered is decided on a case-by-case basis best left to the discretion of the bankruptcy judge. *In re Shotkoski*, 420 B.R. at 483. After all, “many of the factors relevant to determining if a case have been “fully administered” may only be known to the bankruptcy court, based upon its experience and oversight of the case. *In re Union Home & Industrial, Inc.*, 375 B.R. 912, 917 (10th Cir. BAP 2007).

16. Although the Debtor points to the Advisory Committee Note in regard to the application of Fed.R.Bank.P. 3022,

[w]hile the Advisory Committee Note was intended to provide some guidance, the factors listed were clearly not intended to be exclusive. Further, there is a real question as to the current applicability of the Advisory Committee Note considering it was drafted in 1991 . . .

*Shotkoski*, 420 B.R. at 483 (holding that individual discharge provisions in the Advisory Committee Notes are not applicable).

17. Thus, in this case, the existence of an unresolved asset, i.e. allowing a third party to hold collateral that can potentially be distributed to the estate versus allowing Valley to continue to hold the funds in the Pledged Account and the potential lack of due process in failing to notice employees with potential claims involving worker’s compensation claims dictate that this case is not fully administered.

18. Valley proposes for the Court to set a claims deadline with notice to parties that may have workers’ compensation claims in order to liquidate such claims and establish the amount of the Pledged Account that would go back to the Debtor for distribution to creditors.

19. Additionally, it is requested that the Court invoke its equitable powers to stay the draw request by CNA against the Pledged Account, which is a valuable asset of the estate, to allow the normal claims process to determine what, if any, un-filed workers compensation claims may exist. It would be inherently unjust for CNA to receive millions of dollars in estate funds for which no offsetting claims exist and may never be filed. The Pledged Account is accumulating interest for the benefit of the estate and Valley will follow any direction from the Court regarding the disposition of those secured funds.

20. Furthermore, Valley will suffer irreparable damage and will be left with inadequate security for the draw against the Letter of Credit if this court does not assist in managing the claims against the estate involving the workers' compensation claims and otherwise assist with the issues associated with the Pledged Account.

21. Counsel for Valley has conferenced with counsel for the Debtor in an effort to resolve this matter and has not been successful.

WHEREFORE, Valley respectfully requests this Court deny the Motion until such time as the issues involving the Pledged Account and the potential unresolved workers' compensation claims are resolved; and for such other and further relief as the Court deems just and proper.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished via CM/ECF or U.S. Mail to the parties on the attached mail list this 22<sup>nd</sup> day of October, 2025.

PARKER POE  
Attorneys for Valley  
1075 Peachtree Street, N.E., Suite 1500  
Atlanta, GA 30309  
Telephone: 678-690-5702  
Facsimile: 404-869-6972  
todd@sprinkle@parkerpoe.com

KELLEY KAPLAN & ELLER, PLLC  
Attorneys for Valley – Admitted Pro Hac Vice  
1665 Palm Beach Lakes Boulevard  
The Forum- Suite 1000  
West Palm Beach, Florida 33401  
Telephone: (561) 491-1200  
Facsimile: (561) 684-3773  
bankruptcy@kelleylawoffice.com

By: /s/ Craig I. Kelley  
Craig I. Kelley, Esq.  
Florida Bar No. 782203

Debtors' Mailing list attached hereto.



NUMBER: Z30004208

ISSUE DATE: OCTOBER 23, 2023

CLEAN, IRREVOCABLE AND UNCONDITIONAL STANDBY LETTER OF CREDIT

BENEFICIARY:

CONTINENTAL CASUALTY COMPANY AND/OR
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
151 N. FRANKLIN ST
CHICAGO, IL 60606
ATTN: COLLATERAL AND AGREEMENTS

WE HEREBY ESTABLISH THIS CLEAN, IRREVOCABLE AND UNCONDITIONAL STANDBY LETTER OF CREDIT NO. Z30004208 ("LETTER OF CREDIT") IN YOUR FAVOR FOR THE ACCOUNT OF AIR PRO'S SOLUTIONS LLC, 150 PINE ISLAND ROAD, SUITE 200 PLANTATION, FL 33324 (INSURED) FOR DRAWING UP TO THE AGGREGATE AMOUNT OF \$ 935,000.00 (NINE HUNDRED THIRTY FIVE THOUSAND 00/100 US DOLLARS), EFFECTIVE IMMEDIATELY AND REMAINING IN FULL FORCE AND EFFECT UNTIL EXPIRING AT OUR OFFICE AT VALLEY NATIONAL BANK, 350 MADISION AVENUE, NEW YORK, NY 10017 WITH OUR CLOSE OF BUSINESS ON OCTOBER 23, 2024 (EXPIRATION DATE).

WE HEREBY UNDERTAKE TO PROMPTLY HONOR YOUR SIGHT DRAFT(S) DRAWN ON US IN YOUR FAVOR, FOR ALL OR ANY PART OF THIS LETTER OF CREDIT, IF PRESENTED AT OUR OFFICE AT VALLEY NATIONAL BANK, 350 MADISION AVENUE, NEW YORK, NY 10017, ON OR BEFORE THE EXPIRY DATE OR ANY AUTOMATICALLY EXTENDED DATE.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT ITS AMOUNT SHALL BE AUTOMATICALLY INCREASED WITHOUT AMENDMENT IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

Table with 3 columns: ON (DATE), AMOUNT OF INCREASE (\$), AGGREGATE AMOUNT (\$). Rows for 11/10/2023 and 02/10/2024.

THE TERM "BENEFICIARY" INCLUDES ANY SUCCESSOR BY OPERATION OF LAW OF THE NAMED BENEFICIARY, INCLUDING WITHOUT LIMITATION, ANY LIQUIDATOR, REHABILITATOR, RECEIVER, OR CONSERVATOR. DRAWINGS BY ANY LIQUIDATOR, REHABILITATOR, RECEIVER, OR CONSERVATOR SHALL BE FOR THE BENEFIT OF ALL THE BENEFICIARY'S POLICYHOLDERS.

EXCEPT AS STATED HEREIN, THIS UNDERTAKING IS NOT SUBJECT TO ANY CONDITION OR QUALIFICATION. OUR OBLIGATION UNDER THIS LETTER OF CREDIT SHALL BE OUR INDIVIDUAL OBLIGATION, IN NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST

International Department
Standby Letter of Credit Section
P: 212-253-4901 • 212-253-5065
F: 212-254-0573 • 212-254-0715
924 Broadway, 4th Floor
New York, NY 10010





OUR REF NO: Z30004208

DATE: October 23, 2023

SIXTY (60) DAYS PRIOR TO ANY EXPIRATION DATE WE SHALL NOTIFY YOU IN WRITING BY REGISTERED OR OVERNIGHT MAIL TO YOUR ADDRESS SET FORTH ABOVE THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

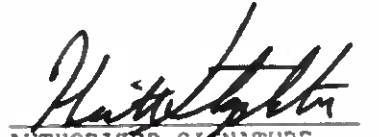
ALL DRAFTS MUST BE MARKED: "DRAWN UNDER VALLEY NATIONAL BANK LETTER OF CREDIT NO. Z30004208."

DRAFTS MUST BE PRESENTED TO US NOT LATER THAN OCTOBER 23, 2024 (EXPIRATION DATE) OR ANY EXTENDED EXPIRATION DATE AS HEREIN ABOVE PROVIDED.

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE 2007 REVISION OF THE UNIFORM CUSTOMS AND PRACTICE OF DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 600 (THE "UCP") AND THE LAWS OF THE STATE OF ILLINOIS AND, IN THE EVENT OF ANY CONFLICT, THE UCP WILL CONTROL. NOTWITHSTANDING ARTICLE 36 OF THE UCP, IF THIS LETTER OF CREDIT EXPIRES DURING AN INTERRUPTION OF OUR BUSINESS AS DESCRIBED IN SAID ARTICLE 36, THE BANK HEREBY SPECIFICALLY AGREES TO EFFECT PAYMENT IF THIS LETTER OF CREDIT IS DRAWN AGAINST WITHIN THIRTY (30) DAYS AFTER THE RESUMPTION OF OUR BUSINESS.

VERY TRULY YOURS,

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE  
Frank Chu-323 FVP

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE  
Keith Stapleton-866 FVP

International Department  
Standby Letter of Credit Section  
P: 212-253-4901 • 212-253-5065  
F: 212-254-0573 • 212-254-0715  
924 Broadway, 4th Floor  
New York, NY 10010



DATE: AUGUST 16, 2024

BENEFICIARY:

CONTINENTAL CASUALTY COMPANY AND/OR  
NATIONAL FIRE INSURANCE COMPANY OF  
HARTFORD. 151 N. FRANKLIN ST  
CHICAGO, IL 60606

AMENDMENT NUMBER: 1  
OUR L/C NO.: Z30004208

WE HAVE AMENDED THE CAPTIONED LETTER OF CREDIT FOR THE ACCOUNT OF:  
AIR PRO'S SOLUTIONS LLC  
150 PINE ISLAND ROAD, SUITE 200  
PLANTATION, FL 33324

AMENDED TERMS AND CONDITIONS:

IN THE PARAGRAPH, IT IS A CONDITION OF THIS LETTER OF CREDIT  
..\$1,870,000.00, HAS BEEN DELETED IN ITS ENTIRETY AND REPLACE WITH THE  
FOLLOWING:

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT ITS AMOUNT SHALL BE  
AUTOMATICALLY INCREASED WITHOUT AMENDMENT IN ACCORDANCE WITH THE  
FOLLOWING SCHEDULE:

ON (DATE)	AMOUNT OF INCREASE (\$)	AGGREGATE AMOUNT (\$)
11/10/2023	467,500.00	1,402,500.00
02/10/2024	467,500.00	1,870,000.00
07/01/2024	275,000.00	2,145,000.00
09/10/2024	375,000.00	2,520,000.00
11/10/2024	464,500.00	2,984,500.00
02/10/2025	464,500.00	3,449,000.00

THIS AMENDMENT MUST BE ATTACHED TO AND BECOME AN INTEGRAL PART OF THE  
ORIGINAL CREDIT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



AUTHORIZED SIGNATURE

Frank Chu-323 FVP



AUTHORIZED SIGNATURE

Keith Stapleton-866 FVP

## PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (the "*Pledge Agreement*") is made and dated as of July 5, 2024, by **Air Pro's Solutions, LLC** (the "*Pledgor*") in favor of **VALLEY NATIONAL BANK**, a national banking association (the "*Secured Party*").

A. The Secured Party has agreed to extend credit to the Pledgor, in the form of an irrevocable Letter of Credit issued for the account of the Pledgor, on the terms and subject to the conditions set forth in the documents, instruments, and agreements ancillary thereto (as any of the same may be amended, extended or replaced from time to time, the "*Credit Documents*").

B. To induce Secured Party to extend such credit, the Pledgor has agreed to pledge and to grant to the Secured Party a security interest in and lien upon certain property of the Pledgor described more particularly herein.

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

### 1. **Pledge.**

The Pledgor hereby pledges, assigns and grants to Secured Party a security interest in the property described in Section 2 below (collectively and severally, the "*Collateral*") to secure payment and performance of the Obligations (defined in Section 3 below, the "*Obligations*").

### 2. **Collateral.**

The Collateral shall consist of all right, title and interest of the Pledgor in and to, whether now existing or hereafter acquired, the deposit account(s) listed in **Schedule A** annexed hereto and made a part hereof maintained by the Pledgor with Valley National Bank (individually and collectively, together with any substitute or successor account(s), the "*Account(s)*"), all cash, funds, items, investments, interest, earnings and accruals thereon on deposit from time to time therein, all certificates and instruments evidencing the Account(s), and all proceeds of the foregoing.

### 3. **Obligations.**

The Obligations secured by this Pledge Agreement shall consist of any and all debts, obligations, and liabilities of the Pledgor to the Secured Party arising out of or related to the Credit Documents (whether principal, interest, fees or otherwise, whether now existing or hereafter arising, whether voluntary or involuntary, whether or not jointly owed with others, whether direct or indirect, absolute or contingent, contractual or tortious, liquidated or unliquidated, arising by operation of law or otherwise, whether or not from time to time decreased or extinguished and later increased, created or incurred and whether or not extended, modified, rearranged, restructured, refinanced, or replaced, including without limitation, modifications to interest rates or other payment terms of such debts, obligations, or liabilities).

**4. Representations and Warranties.**

In addition to all representations and warranties of the Pledgor set forth in the Credit Documents, which are incorporated herein by this reference, the Pledgor hereby represents and warrants that: (a) except for the security interest granted hereunder, [the Pledgor] [Account owner] (i) is and shall at all times continue to be the direct and beneficial owner of the Collateral, (ii) holds the same free and clear of all liens except those permitted by the Credit Documents; and (iii) shall not dispose of or make any assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in or other lien on, the Collateral, other than pursuant hereto, or as permitted by the Credit Documents; (b) the Pledgor (i) has the power and authority to pledge the Collateral in the manner hereby done or contemplated, and (ii) shall defend its title or interest thereto or therein against any and all liens (other than the liens created by this Pledge Agreement or permitted by the Credit Documents), however arising, of all persons whomsoever; (c) no consent of any other person (including stockholders or creditors of the Pledgor) and no consent or approval of any governmental authority or any securities exchange was or is necessary to the validity or enforceability of the pledge effected hereby, except such consents as have been obtained and are in full force and effect; and (d) by virtue of the execution and delivery by the Pledgor of this Pledge Agreement the Secured Party will have a first-priority perfected security interest in the Collateral.

**5. Covenants.**

The Pledgor agrees (a) not to make or permit to be made any withdrawals or transfers from the Account(s); and (b) not to close or terminate the Account(s).

**6. Default.**

A default under this Pledge Agreement shall be deemed to exist upon the occurrence of any of the following (an "*Event of Default*"):

a. Default in Payment. Any of the Obligations shall not be paid when due.

b. Default under Credit Documents. The Pledgor shall fail to observe any other term or condition of the Credit Documents, or there shall otherwise occur any event which would permit the Secured Party to accelerate amounts outstanding thereunder, or the Pledgor shall fail to make any payment pursuant to the Credit Documents.

c. The Pledgor's Bankruptcy. Either a court shall enter a decree or order for relief in respect of the Pledgor in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Pledgor or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of sixty consecutive days or the Pledgor shall commence a voluntary case under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in any voluntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Pledgor or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any action in furtherance of the foregoing.

d. Judgment Against the Pledgor. A final judgment for the payment of money in excess of \$250,000.00 shall be rendered against the Pledgor and the Pledgor shall not pay or discharge the same or cause it to be paid or discharged within sixty calendar days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon or pursuant to which said judgment was granted, based or entered, and secure a stay of execution pending such appeal.

e. Misrepresentation by the Pledgor. Any representation or warranty by the Pledgor hereunder, under any Credit Document or otherwise made by the Pledgor in connection with the Obligations shall be inaccurate or incomplete in any material respect.

f. Default Under Guaranties. Failure of any guarantor of the Obligations to observe or perform any term or provision of its guaranty or any such guarantor shall attempt to revoke or rescind its guaranty, with respect to future transactions or otherwise.

g. Existence. If a natural person, the Pledgor shall die or permanently be unable to conduct his or her business affairs as conducted on the date of this Security Agreement or, if not a natural person, the Pledgor shall cease to be an entity, in good standing, in the jurisdiction where it is located.

#### **7. Remedies.**

a. Upon the occurrence of an Event of Default, the Secured Party may, without notice to or demand on the Pledgor and in addition to all rights and remedies available to the Secured Party with respect to the Obligations, at law, in equity or otherwise, do any one or more of the following:

(1) Withdraw or cause to be withdrawn all amounts on deposit in the Account(s) and close the Account(s) or otherwise foreclose or otherwise enforce the Secured Party's security interest in any manner permitted by law or provided for in this Pledge Agreement.

(2) Recover from the Pledgor all costs and expenses, including, without limitation, reasonable attorneys' fees (including the allocated cost of internal counsel), incurred or paid by the Secured Party in exercising any right, power or remedy provided by this Pledge Agreement.

b. Any deficiency with respect to the Obligations which exists after the disposition or liquidation of the Collateral shall be a continuing liability of the Pledgor to the Secured Party and shall be immediately paid by the Pledgor to the Secured Party.

#### **8. Cumulative Rights.**

The rights, powers and remedies of the Secured Party under this Pledge Agreement shall be in addition to all rights, powers, and remedies given to the Secured Party by virtue of any statute or rule of law, the Credit Documents or any other agreement, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing the Secured Party's security interest in the Collateral.

#### **9. Waiver.**

Any waiver, forbearance or failure or delay by the Secured Party in exercising any right, power, or remedy shall not preclude the further exercise thereof, and every right, power, or remedy of the Secured Party shall continue in full force and effect until such right, power or remedy is specifically waived in a writing executed by the Secured Party. The Pledgor waives any right to require the Secured Party to proceed against any person or to exhaust any Collateral or to pursue any remedy in the Secured Party's power.

**10. Setoff.**

Pledgor agrees that the Secured Party may exercise its rights of setoff with respect to the Obligations in the same manner as if the Obligations were unsecured.

**11. Binding Upon Successors.**

All rights of the Secured Party under this Pledge Agreement shall inure to the benefit of its successors and assigns, and all obligations of the Pledgor shall bind its heirs, executors, administrators, successors, and assigns.

**12. Entire Agreement; Severability.**

This Pledge Agreement contains the entire agreement between the Secured Party and the Pledgor. If any of the provisions of this Pledge Agreement shall be held invalid or unenforceable, this Pledge Agreement shall be construed as if not containing those provisions and the rights and obligations of the parties hereto shall be construed and enforced accordingly.

**13. Choice of Law.**

This Pledge Agreement shall be construed in accordance with and governed by the laws of the same state to which the Letter of Credit will be subject, without giving effect to choice of law rules, and, where applicable and except as otherwise defined herein, terms used herein shall have the meanings given them in the Uniform Commercial Code of such state.

**14. Amendment.**

This Pledge Agreement may not be amended or modified except by a writing signed by the Pledgor and the Secured Party.

**15. Notices.**

Except as otherwise expressly provided herein, any notice, order, instruction, request or other communication required or permitted to be given under this Pledge Agreement shall be in writing and deemed to have been properly given when delivered in person, or upon receipt of notice sent by certified or registered United States mail, return receipt requested, postage prepaid, addressed to the party at the address set forth below, or to such other addresses as the parties hereto may specify from time to time in writing in the manner set forth above:

Pledgor:                      Air Pro's Solutions, LLC  
   150 Pine Island Road  
   Plantation, FL 33324  
   Attn: Brian Smith, COO




- 5 -

Secured Party: Valley National Bank  
350 Madison Avenue  
3<sup>rd</sup> Floor  
New York, NY 10017  
Attn.: Trade Finance Operations

Notwithstanding anything to the contrary, this Pledge Agreement is limited to \$3,449,000.00.

IN WITNESS WHEREOF, this Pledge Agreement has been executed and delivered by the Pledgor as of the date written above.

Air Pro's Solutions, LLC

By:   
Name: D. Anthony Rose  
Title: CEO

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**SCHEDULE A**

Account(s)

Valley National Bank Money Market Deposit Account No. [REDACTED] in the name of Air Pro's Solutions LLC.



CreditorName	CreditorNoticeName	Address1	Address2	City	State	Zip	Phone	Fax	Email	Description
AFH Air Pros, LLC	Andrew D. J. Hede	150 S. Pine Island Road	Suite 200	Plantation	FL	33324			ahede@accordion.com	Debtors
AIS Portfolio Services, LLC	Ford Motor Credit Company LLC Department	4515 N Santa Fe Ave. Dept. APS		Oklahoma City	OK	73118	833-965-2361	817-461-8070	ECFNotices@aisinfo.com	Counsel for Ford Motor Credit Company LLC
Alabama Attorney General	Attn Bankruptcy Department	501 Washington Ave	PO Box 300152	Montgomery	AL	36104-0152	334-242-7300		consumerinterest@Alabamaag.gov	Alabama Attorney General
Alter Domus (US) LLC	Attn Rick Ledenbach	225 W. Washington Street, 9th Floor		Chicago	IL	60606			Rick.Ledenbach@alterdomus.com; legal_agency@alterdomus.com	Disbursing & Collateral Agent (Pre-Petition & Post-Petition DIP Agent)
AmeriCredit Financial Services, Inc. dba GM Financial		PO Box 183853		Arlington	TX	76096	877-203-5538	877-259-6417		Interested Party
Chadwch Jay Setchell	c/o Thomas Loper	Loper Law, LLC	452 Government St, Suite E	Mobile	AL	36602	251-288-9308		tloper@loperlawllc.com	Unsecured Creditors Committee
Chadwch Jay Setchell		16148 Lakeside Dr		Loxley	AL	36551	251-404-5814		chadrick2768@gmail.com	Unsecured Creditors Committee
Colorado Attorney General	Attn Bankruptcy Department	1300 Broadway, 10th Fl	Ralph L Carr Colorado Judicial Building	Denver	CO	80203	720-508-6000	720-508-6030	attorney.general@coag.gov	Colorado Attorney General
Despedida Holdings, Inc., and Zerimar 1500, LLC	Jose F. Ramirez	19033 S.E. Jupiter River Drive		Jupiter	FL	33426	561-719-9269		joseramirez27@aol.com	Unsecured Creditors Committee; Top 30 Creditor
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Internal Revenue Service	Centralized Insolvency Operation	PO Box 7346		Philadelphia	PA	19101-7346	800-973-0424	855-235-6787	Mimi.M.Wong@irscounsel.treas.gov	Internal Revenue Service
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