

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

In re:

AFH AIR PROS, LLC,

Wind Down Debtor.

Chapter 11

Case No. 25-10356 (PMB)

**VALLEY NATIONAL BANK, N.A.'S UNOPPOSED MOTION
FOR RELIEF FROM THE PLAN INJUNCTION**

Valley National Bank, N.A. ("Valley") hereby submits this Motion, pursuant to Federal Rules of Bankruptcy Procedure 4001-1(C) and 9014, for entry of an order granting relief from the applicable injunction provision in the Plan and Confirmation Order (each as defined herein) to permit Valley to exercise its rights of setoff with respect to the Pledged Account (as defined herein), and states:

Jurisdiction

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue lies properly in this Court pursuant to 28 U.S.C. § 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157.

2. The relief sought by this Motion is based upon 11 U.S.C. §§ 362, 363 and Federal Rules of Bankruptcy Procedure 4001-1(C) and 9014.

Background

A. The Letter of Credit

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

4. Prior to filing this bankruptcy proceeding, on October 23, 2023, Valley issued on behalf of Solutions, a Clean, Irrevocable and Unconditional Standby Letter of Credit in the amount



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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 (the “Amendment”). Attached hereto as **Composite Exhibit “A”** is a true and correct copy of the Letter of Credit and the Amendment.

5. The purpose of the Letter of Credit was to secure Solutions’ obligations to Continental Casualty Company and National Fire Insurance Company of Hartford (“CNA”) under certain insurance policies.

6. As part of this transaction, on August 1, 2023, Solutions executed and delivered to Valley a Pledge Agreement (the “Initial Pledge Agreement”) whereby Solutions pledged, assigned and granted a security interest and lien upon a certificate of deposit, account number x9001. Attached hereto as **Exhibit “B”** is a true and correct copy of the Initial Pledge Agreement. Thereafter, the certificate of deposit was converted to a money market account to allow for deposits into the account. Thus, on July 5, 2024, Solutions executed and delivered to Valley a Pledge Agreement (the “Pledge Agreement”) whereby Solutions pledged, assigned and granted a security interest and lien upon a Money Market Account at Valley in the name of Solutions, account number x7300 (the “Pledged Account”). Attached hereto as **Exhibit “C”** is a true and correct copy of the Pledge Agreement. Solutions was not permitted to make any withdrawals from or terminate the Pledged Account.

7. On Schedule A/B of the Schedules of Assets and Liabilities for Solutions [Case No. 25-10364, D.E. #9], Solutions lists the Pledged Account with a balance of \$2,145,000.00. Solutions correctly indicates that the account secures the Letter of Credit and is restricted.

B. The Plan

8. On September 4, 2025, the Court entered the *Findings of Fact, Conclusions of Law, and Order (I) Approving the Second Amended Disclosure Statement for the Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates on a Final Basis; and (II) Confirming Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates* [Docket No. 691] (the “Confirmation Order”), which confirmed the *Second Amended Plan of Liquidation of AFH Air Pros, LLC and its Debtor Affiliates* [Docket No. 479] (as may be further amended, supplemented, or otherwise modified from time to time, and including all exhibits thereto, the “Plan”). The Effective Date of the Plan occurred on October 10, 2025. [Docket No. 753]. The Confirmation Order and the Plan¹ contain injunction provisions that could be read to prevent Valley from drawing down on the Pledged Account.

C. Draw Under Letter of Credit

9. On September 25, 2025, CNA, the beneficiary of the Letter of Credit, 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.² Valley honored the site draft issued by CNA on October 23, 2025, by payment of \$3,449,000.00 to CNA. A copy of the confirmation of payment to CNA is attached hereto as **Exhibit “D”**.

Relief Requested

10. Valley seeks relief from the stay to set off the funds held in the Pledged Account against the amount of the draw under the Letter of Credit.

11. Section 362(d) provides:

On request of a party in interest and after notice and a hearing, the court shall grant relief from the stay provided under subsection (a) of this section, such as by terminating, annulling, modifying, or conditioning such stay – (1) for cause,

¹ Article X.F of the Plan and paragraph 83 of the Confirmation Order could apply in these circumstances.

including the lack of adequate protection of an interest in property of such party in interest; (2) with respect to a stay of an act against property under subsection (a) of this section, if – (A) the debtor does not have an equity in such property; and (B) such property is not necessary to an effective reorganization.

12. Section 10 of the Pledge Agreement specifically authorizes Valley to exercise its rights of setoff with respect to Solutions’ obligations to Valley in connection with the Letter of Credit and the Pledge Agreement..

13. The right of setoff (also called “offset”) allows entities that owe each other money to apply their mutual debts against each other, thereby avoiding “the absurdity of making A pay B when B owes A.” *Studley v. Boylston Nat’l Bank*, 229 U.S. 523, 528, 57 L. Ed. 1313, 33 S. Ct. 806 (1913). Although no federal right of setoff is created by the Bankruptcy Code, 11 U.S.C. § 553(a) provides that, with certain exceptions, whatever right of setoff otherwise exists is preserved in bankruptcy. *Citizens Bank of Md. v. Strumpf*, 516 U.S. 16, 18 (1995).

14. Section 362(a)(7) provides that the automatic stay applies to the setoff of any debt owing to the debtor that arose before the commencement of the case under this title against any claim against the debtor. Although it can be argued that the debt arose post-petition, as the draw occurred on September 25, 2025, Valley files this Motion to ensure that either the stay is lifted or it is confirmed that no stay or plan injunction is in effect relative to this set off request.

15. Valley should be given relief from any injunction provisions in the Plan and the Confirmation Order for the same reasons for stay relief specified herein.

16. In support of granting stay relief, Valley submits that the funds in the Pledged Account are restricted and are pledged to Valley so they are not necessary and, in fact, cannot be used, for the Debtor’s reorganization, or in this case, liquidation.

17. 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 grant relief from the automatic stay with

respect to its rights in the Pledged Account.

18. Due to the fact that the amount held in the Pledged Account was less than the draw, nothing herein shall waive the right of Valley to file or amend a Proof of Claim in the bankruptcy proceedings.

19. Counsel for Valley has conferred with counsel for Solutions regarding the relief requested herein. Solutions consents to the relief requested in this motion subject to the terms and provisions of the proposed order attached hereto as **Exhibit E** (the “Proposed Consent Order”).

WHEREFORE, Valley respectfully requests this Court enter the Proposed Consent Order granting Valley relief from the injunction in the Plan and Confirmation Order to set off the amounts held in the Pledged Account, including any accrued interest, and for such other and further relief as the Court deems just and proper.

Respectfully submitted this 12th day of December 2025.

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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 12th day of December, 2025.

/s/ A. Todd Sprinkle

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Debtors' Mailing list attached hereto.

Mailing Information for Case 25-10356-pmb

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Electronic Mail Notice List

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ISSUE DATE: OCTOBER 23, 2023

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

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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

Page 2 of 2

International Department
Standby Letter of Credit Section
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924 Broadway, 4th Floor
New York, NY 10010

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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 August 1, 2023, 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:

150 PINE ISLAND ROAD
PLANTATION
FL 33324


Attn.: Douglas Anthony Perera

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

Notwithstanding anything to the contrary, this Pledge Agreement is limited to \$1,870,000.

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: Richard Outman
Title: CFO

SCHEDULE A

Valley National Bank Business Time Deposit Account No. 8190169001 in the name of Air Pros Solutions LLC.

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.

- 3 -

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.

- 4 -

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
3rd 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 Reese
Title: CEO

- 6 -

SCHEDULE A

Account(s)

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



**** ORIGINAL ****

*** Outbound Swift Message ***

SENDER: MBNYUS33XXX

RECEIVER: MBNYUS33XXX

SWIFT MT103 - SINGLE CUSTOMER CREDIT TRANSFER

:20:SENDER'S REFERENCE:S30004208
:23B:BANK OPERATION CODE/IDENTIFICATION OF THE OPTION:CRED
:32A:VALUE DATE,CURRENCY CODE,AMOUNT:251023USD3449000,
:33B:CURRENCY/INSTRUCTED AMOUNT:USD3449000,
:50F:ORDERING CUSTOMER:/200900501208520
1/AIR PROS SOLUTIONS LLC
2/150 PINE ISLAND ROAD, SUITE 200
3/US/PLANTATION, FL 33324
:57D:ACCOUNT WITH INSTITUTION://FW021000021
JPMORGAN CHASE BANK
NEW YORK, NY
:59F:BENEFICIARY:/323874908
1/CONTINENTAL CASUALTY COMPANY
2/151 N. FRANKLIN STREET
3/US/CHICAGO, IL 60606
:71A:DETAILS OF CHARGES:BEN
:72:SENDER TO RECEIVER:/BNF/PYMT UNDER SBLC REF 30004208
//FFC CCC P AND C RECEIPTS, GL NO
//1214255, CO CODE 01460 CCN23859

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

In re:

AFH AIR PROS, LLC,

Wind Down Debtor.

Chapter 11

Case No. 25-10356 (PMB)

Re: Docket No. ____

**CONSENT ORDER GRANTING VALLEY NATIONAL BANK LIMITED RELIEF
FROM THE PLAN INJUNCTION**

This matter came before the Court upon *Valley National Bank*, N.A.'s *Unopposed Motion for Relief From the Plan Injunction* dated December 15, 2025 [Docket No. ____] (the "Motion")¹ filed by Valley National Bank, N.A. ("Valley"); and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the 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 Air Pros Solutions, LLC ("Solutions") and Valley are party to that certain Pledge Agreement dated July 5, 2024 (the "Pledge Agreement"), pursuant

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

to which Solutions pledged to Valley its interest in Account No. x7300 maintained at Valley (the “Pledged Account”) to secure certain obligations of Solutions to Valley arising under the Credit Documents (as defined in the Pledge Agreement); and Valley having issued a clean, irrevocable and unconditional standby letter of credit dated October 23, 2023 for the benefit of Continental Casualty Company and National Fire Insurance Company of Hartford in the aggregate amount of \$3,449,000 as of the Petition Date (as amended by Amendment No. 1 dated August 16, 2024, the “Letter of Credit”); and the beneficiary under the Letter of Credit having initiated a draw under the Letter of Credit in the full amount of \$3,449,000 on or about September 25, 2025; and Valley and the Wind Down Debtors having represented to the Court that they consent to the entry of this Order; and the Court finding that good cause exists to grant relief, subject to the agreed terms of this Order,

IT IS HEREBY ORDERED THAT:

1. Valley is granted relief from the injunction imposed under (i) Article X.F of the *Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and its Debtor Affiliates* [Docket No. 478] filed June 24, 2025, and (ii) paragraph 83 of the *Findings of Fact, Conclusions of Law, and Order (I) Approving the Second Amended Disclosure Statement for the Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates on a Final Basis; and (II) Confirming Second Amended Chapter 11 Plan of Liquidation of AFH Air Pros, LLC and Its Debtor Affiliates* [Docket No. 691] entered September 4, 2025 (the “Plan Injunction”), to the extent set forth herein.

2. Valley is permitted to exercise its rights of setoff under the Pledge Agreement to set off the amounts held in the Pledged Account against the amounts drawn under the Letter of Credit.

3. Within seven days after Valley sets off the amounts held in the Pledge Account, Valley shall amend Claim No. 144 to reflect (i) the application of the funds in the Pledged Account, and (ii) that the balance of Claim No. 144, after application of the full amount of the Pledged Account, is a general unsecured claim.

4. The relief granted by this Order is limited to permitting Valley to exercise its rights of setoff under the Pledge Agreement and does not authorize the imposition of financial responsibility on the Wind Down Debtors or their respective estates or assets for the amounts drawn under the Letter of Credit. Nothing herein shall be deemed to amend, alter, or modify the rights of the parties with respect to the Pledged Account or amend, alter, or modify the terms of any agreements entered into in connection therewith, including, but not limited to, the Pledge Agreement, and the Wind Down Debtors and Valley reserve all rights with respect thereto.

5. Notwithstanding the applicability of Rule 4001(a)(4), this Order shall be effective and enforceable immediately upon entry hereof.

6. Counsel for the Wind Down Debtors shall serve a copy of this Order and file a Certificate of Service within three days after the entry of the Order.

7. 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

Consented to by:

PARKER POE

A. Todd Sprinkle

A. Todd Sprinkle (Ga Bar No. 832602)
1075 Peachtree Street, N.E., Suite 1500
Atlanta, GA 30309
Telephone: 678-690-5702
Facsimile: 404-869-6972
Email: todd@sprinkle@parkerpoe.com

**KELLEY KAPLAN DELANEY &
ELLER, PLLC**

Craig I. Kelley

Craig I. Kelley (*admitted pro hac vice*)
1665 Palm Beach Lakes Blvd
The Forum – Suite 1000
West Palm Beach, FL 33401
Phone: (561) 491-1200
Email: craig@kelleylawoffice.com

Counsel to Valley National Bank

Consented to by:

GREENBERG TRAURIG, LLP

David B. Kurzweil

David B. Kurzweil (Ga. Bar No. 430492)
Matthew A. Petrie (Ga. Bar No. 227556)
Terminus 200
3333 Piedmont Road, NE, Suite 2500
Atlanta, Georgia 30305
Telephone: (678) 553-2100
Email: kurzweild@gtlaw.com
petriem@gtlaw.com

Counsel for the Wind Down Debtors

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