

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

CTN HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

Re D.I. 65

**DEBTORS' MOTION FOR ORDER SHORTENING NOTICE OF HEARING ON
DEBTORS' MOTION TO APPROVE BIDDING PROCEDURES
FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS**

The above-captioned debtors and debtors in possession (the "**Debtors**") respectfully move (this "**Motion to Shorten**") as follows:

RELIEF REQUESTED

1. By this Motion to Shorten, the Debtors request entry of an order, substantially in the form attached hereto as **Exhibit A** (the "**Proposed Order**"): (i) shortening the notice period for the hearing on the *Debtors' Motion for Entry of an Order Approving (I)(A) The Debtors' Entry into Stalking Horse Agreement and Related Expense Reimbursement and Break-Up Fee; (B) the Bidding Procedures in Connection with the Sale of Substantially all of the Debtors' Assets; (C) the Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases; (D) the Form and Manner of Notice of the Sale Hearing, Assumption Procedures, and Auction Results; and (E) Dates for an Auction and Sale Hearing; (II)(A) the Sale of Substantially All of the Debtors' Assets Free and Clear of all Claims, Liens, Liabilities,*

¹ The Debtors in these chapter 11 cases, along with the last four digits of the Debtors' federal tax identification numbers, are CTN Holdings, Inc. (9122), CTN SPV Holdings, LLC (8689), Make Earth Green Again, LLC (4441), Aspiration QFZ, LLC (1532), Aspiration Fund Adviser, LLC (4214), Catona Climate Solutions, LLC (3375) and Zero Carbon Holdings, LLC (1679). The mailing address for the Debtors is 548 Market Street, PMB 72015, San Francisco, CA 94101-5401.



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Rights, Interests, and Encumbrances and (B) the Debtors' Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [D.I. 65] (the "**Motion**")² filed contemporaneously herewith seeking approval of, among other relief, proposed bidding procedures (the "**Bidding Procedures**") governing the sale process for the sale of substantially all of the Debtors' assets, (ii) setting the date for the hearing to consider approval of the Bidding Procedures and related relief for April 30, 2025, at 9:30 AM, and (iii) permitting parties to file objections, if any, to the Bidding Procedures no later than April 23, 2025, at 4:00 p.m. (ET).

JURISDICTION

2. On March 30, 2025 (the "**Petition Date**"), the Debtors each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in this Court. The Debtors continue to manage their assets as debtors in possession pursuant to sections 1107(a) and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "**Bankruptcy Code**"). No trustee or examiner has been appointed in these cases.

3. On April 10, 2025, the Office of the United States Trustee appointed the Official Committee of Unsecured Creditors (the "**Committee**") [D.I. 59]. As of the time of filing this Motion, proposed counsel for the Committee has not entered an appearance in the Chapter 11 Cases.

4. The Court has jurisdiction over these Chapter 11 Cases and this Motion to Shorten pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. This

² Defined terms not otherwise defined herein shall have the meaning or meanings ascribed thereto in the Motion.

is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these cases and the Motion to Shorten is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

5. Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rule(s)**”), the Debtors consent to the entry of a final order with respect to this Motion to Shorten if it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

6. The statutory bases for the relief requested in this Motion to Shorten are sections 102 and 105 of the Bankruptcy Code, Rules 2002 and 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Local Rules 6004-1 and 9006-1.

BACKGROUND

7. The Debtors are a climate finance company that sells carbon credits to enterprise clients sourced from the Debtors’ diverse project developer network. To ensure a reliable supply of the highest quality carbon, the Debtors partner with project developers by providing financial investment, project monitoring, technical assistance and marketing services to carbon credit generators. These partnerships in turn yield high-quality carbon credits made available to the Debtors’ customers through a variety of offered products.

8. Additional details regarding the Debtors, their business, the events leading to the commencement of these cases, and the facts and circumstances supporting the relief requested herein is set forth in the *Declaration of Miles Staglik in Support of Chapter 11 Petitions and*

First Day Relief (the “**First Day Declaration**”), filed on March 31, 2025 [D.I. 22] and incorporated herein by reference.³

BASIS FOR RELIEF REQUESTED

9. Bankruptcy Rule 2002 provides that a debtor shall give “all creditors and indenture trustees at least 21 days’ notice by mail of . . . (2) a proposed use, sale, or lease of property of the estate other than in the ordinary course of business unless the court for cause shown shortens the time or directs another method of giving notice. . . .” Bankruptcy Rule 2002(a)(2). Local Rule 6004-1(c) provides that a debtor must file a bidding and auction procedures motion at least twenty-one (21) days prior to a hearing thereon. *Id.* As a default, Local Rule 9006-1(c)(ii) provides, “the deadline for objection(s) shall be no later than seven (7) days before the hearing date.” *Id.*

10. Pursuant to section 102(1) of the Bankruptcy Code, the phrase “after notice and a hearing” requires only such notice and opportunity for a hearing as may be appropriate under the circumstances. *Id.* Section 105(a) of the Bankruptcy Code provides that the Court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions” of the Bankruptcy Code. *Id.*

11. Under Bankruptcy Rule 9006, the Court may order time periods set by the Bankruptcy Rules to be reduced “for cause shown.” Bankruptcy Rule 9006(c)(1). In exercising such discretion, the court should “consider the prejudice to parties entitled to notice and weigh this against the reasons for hearing the motion on an expedited basis.” *In re Phila. Newspapers, LLC*, 690 F.3d 161, 171–72 (3d Cir. 2012) (noting the commonality of such motions “[g]iven the

³ The First Day Declaration and other relevant case information is available from (a) the Court’s website, www.deb.uscourts.gov, and (b) the website maintained by the Debtors’ proposed claims and noticing agent, <https://www.veritaglobal.net/CTNHoldings>.

accelerated time frame of bankruptcy proceedings”). Local Rule 9006-1(e) likewise provides for shortened notice “by order of the Court, on written motion . . . specifying the exigencies justifying shortened notice.” *Id.* Specifically with respect to bidding procedures motions, Local Rule 6004-1(c) provides that a debtor can seek to shorten notice thereof. *Id.*

12. Sufficient cause exists to shorten notice of the Motion as requested herein to permit the Motion to be heard on the Debtors’ scheduled second-day hearing. As discussed in the First Day Declaration, moving quickly through the chapter 11 process is essential to the Debtors’ survival and future success given the Debtors’ precarious financial position. The Debtors are not expecting cash inflows from revenues during the pendency of the Chapter 11 Cases. Thus, the Debtors are reliant on the funds committed under the DIP Facility to execute on their bankruptcy strategy and must quickly complete the sale process according to the Bidding Procedures within the limited time permitted under the DIP Facility’s milestones.⁴ The Debtors also believe that expedited relief is necessary to protect and preserve the value of the Debtors’ going concern, including, without limitation, retaining the Debtors’ employees essential to its business.

13. The Debtors have in hand a Stalking Horse Agreement (also referred to as the “**Stalking Horse Bid**”) with Inherent Aspiration, LLC (the “**Stalking Horse Bidder**”), which will provide the floor for the Debtors’ sale process and will be subject to higher and better bids pursuant to the Bidding Procedures. The Motion seeks approval of an expedited sale process backstopped by the Stalking Horse Bid, which the Debtors believe is necessary and appropriate in this case given that the universe of parties potentially interested in purchasing the Debtors’ assets may be small due to the significant capital outlays associated with the business as well as

⁴ As set forth in the DIP Credit Agreement and approved by the Interim DIP Order [D.I. 45], the Debtor shall comply with the following milestone: no later than thirty-one (31) calendar days after the Petition Date, April 30, 2025, the Court shall have entered an Order approving the Bidding Procedures.

the long-time horizon for realizing a return for creditors and other parties in interest. An expedited marketing period targeted to these potential buyers, like the proposed Bidding Procedures provide, strikes an appropriate balance between the Debtors' current cash situation and the need to test the market for the Debtors' assets.

14. The Debtors believe that this timeline provides the Debtors with the best chance of success, maximizes value, and is in the best interest of the Debtors and their estates. Accordingly, shortening notice of the Motion to allow it to be heard on nineteen (19) days' notice is necessary and appropriate under the circumstances.

15. Finally, no party will be prejudiced by approval of this Motion to Shorten as the hearing on the underlying Motion will be to approve only the bidding procedures—not the sale. Parties in interest will still have time and opportunity to come forward and raise sale objections should any be necessary. In addition, the Debtors are requesting that all objections to the proposed Bidding Procedures be filed and served no later than April 23, 2025, at 4:00 p.m. (ET); thus providing creditors and other parties in interest with twelve (12) days to object to approval of the proposed Bidding Procedures.

16. For these reasons, shortening notice of the Motion as set forth herein is appropriate under the circumstances and the Court should approve this Motion to Shorten.

CERTIFICATION PURSUANT TO RULE 9006-1(e)

17. Pursuant to Local Rule 9006-1(e), counsel to the Debtors contacted the U.S. Trustee who authorized the Debtors to represent that the U.S. Trustee takes no position on the Motion to Shorten. Although a Committee has recently been appointed, the Debtors are not aware that it has retained counsel as of the filing of this Motion and no counsel to the Committee has entered an appearance in these cases.

NOTICE

18. Notice of this Motion will be provided to: (a) the Office of the United States Trustee; (b) the United States Attorney's Office for the District of Delaware; (c) the Internal Revenue Service; (d) the state attorneys general in states where the Debtors are authorized to do business; (e) counsel to the Stalking Horse Bidder; (f) any parties known or reasonably believed to have expressed an interest in the Debtors' assets; (g) all entities known or reasonably believed to have asserted a lien, encumbrance, claim, or other interest in any of the Debtors' assets; (h) the parties included on the Debtors' consolidated list of their 30 largest unsecured creditors; and (i) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

CONCLUSION

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: April 11, 2025
Wilmington, Delaware

WHITEFORD, TAYLOR & PRESTON LLC⁵

/s/ William F. Taylor, Jr.,

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Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

CTN HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

Re D.I. 65 & ____

**ORDER SHORTENING NOTICE OF HEARING ON THE
DEBTORS' MOTION TO APPROVE BIDDING PROCEDURES
FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS**

Upon the *Debtors' Motion for Order Shortening Notice of Hearing on Debtors' Motion to Approve Bidding Procedures for the Sale of Substantially All of the Debtors' Assets* (the "**Motion to Shorten**")² of the Debtors for entry of an order (the "**Order**") shortening notice of the *Debtors' Motion for Entry of an Order Approving (I)(A) The Debtors' Entry into Stalking Horse Agreement and Related Expense Reimbursement and Break-Up Fee; (B) the Bidding Procedures in Connection with the Sale of Substantially all of the Debtors' Assets; (C) the Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases; (D) the Form and Manner of Notice of the Sale Hearing, Assumption Procedures, and Auction Results; and (E) Dates for an Auction and Sale Hearing; (II)(A) the Sale of Substantially All of the Debtors' Assets Free and Clear of all Claims, Liens, Liabilities, Rights, Interests, and Encumbrances and (B) the Debtors' Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [D.I. 65]* (the "**Motion**") requesting

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approval of bidding procedures for the sale of the Debtors' assets, the Court having reviewed the Motion to Shorten and found that the relief requested therein is justified under the circumstances,

IT IS HEREBY ORDERED THAT:

1. The Motion to Shorten is **GRANTED**.
2. The Motion will be considered at the hearing scheduled for **April 30, 2025, at 9:30 AM (ET)**.
3. Objections, if any, to the relief requested in the Motion must be filed and served so as to be received by the Debtors by no later than **April 23, 2025, at 4:00 p.m. (ET)**.
4. This Court retains jurisdiction to construe and enforce the terms of this Order.