

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

CTN HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

**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**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state as follows in support of this motion (the "Motion"):

**RELIEF REQUESTED**

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Bidding Procedures Order") (a) authorizing the Debtors to enter into and perform under an asset purchase agreement attached hereto as **Exhibit B** (the "Stalking Horse Agreement") between the Debtors and Inherent Aspiration, LLC (or its designee, successor,

<sup>1</sup> 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.



transferee, or assignee) (the “Stalking Horse Bidder”), subject to the solicitation of higher or otherwise better offers for the Debtors’ assets (the “Assets”); (b) approving the Expense Reimbursement (defined below) and Break-Up Fee (defined below) granted to the Stalking Horse Bidder; (c) approving the proposed bidding procedures attached as **Exhibit 1** to the Bidding Procedures Order (the “Bidding Procedures”); (d) approving procedures for assuming and assigning executory contracts and unexpired leases and certain related notices, including notice of proposed cure amounts; (e) approving the form and manner of (1) notice of the Designation Procedures (the “Cure Notice”), attached as **Exhibit 2** to the Bidding Procedures Order and (2) notice of the Auction (defined below) and Sale Hearing (the “Sale Notice”), attached as **Exhibit 3** to the Bidding Procedures Order; (f) establishing dates and deadlines in connection with the sale of substantially all of the Debtors’ Assets (the “Sale”), including the Bid Deadline (as defined in the Bidding Procedures), and the dates of the auction for the Assets (the “Auction”), if needed, and the hearing with respect to the approval of the sale (the “Sale Hearing”); and (g) granting related relief.

2. The Debtors request that the Bidding Procedures Order establish the following dates and deadlines, subject to extension and other modifications by the Debtors:

- (i) **Sale Objection Deadline: May 9, 2025 at 4:00 p.m. (prevailing Eastern Time)** as the deadline (the “Sale Objection Deadline”) to (i) object to the Sale, including the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code and/or (ii) except as otherwise set forth in the Designation Procedures (defined below), object to the potential assumption or assumption and assignment of the Debtors’ executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code (all such contracts and leases capable of being assumed or assumed and assigned under section 365 of the Bankruptcy Code, the “Assigned Contracts”) and cure amounts related thereto, *provided* that, notwithstanding the foregoing, any (x) objections to the conduct of the Auction or designation of the Successful Bid or Back-Up Bid, or (y) Non-Stalking Horse Adequate Assurance Objections (defined below) in the event the Successful Bidder (defined

below) is not the Stalking Horse Bidder may be filed by **May 19, 2025, at 4:00 p.m. (prevailing Eastern Time)**;

- (ii) **Bid Deadline: May 13, 2025, at 4:00 p.m. (prevailing Eastern Time)**, as the deadline by which all Qualified Bids must be actually received pursuant to the Bidding Procedures (the “Bid Deadline”);
- (iii) **Auction: May 15, 2025, at 10:00 a.m. (prevailing Eastern Time)**, as the date and time of the Auction, if one becomes necessary, which will be held at the offices of the proposed counsel to the Debtors, Whiteford, Taylor & Preston LLC, telephonically, or by video via Zoom, or such later time or other place as the Debtors will timely notify all other Qualified Bidders;
- (iv) **Auction Objection Deadline: May 19, 2025, at 4:00 p.m. (prevailing Eastern Time)**, as the deadline to object to the conduct of the Auction, the choice of Successful Bidder and/or Back-Up Bidder and Non-Stalking Horse Adequate Assurance Objections (as defined below) with respect to a Successful Bidder and/or Back-Up Bidder other than the Stalking Horse Bidder; and
- (v) **Sale Hearing**: Subject to the Court’s availability, **May 20 or 21, 2025 (or such other date and time as may be convenient for the Court)**, at the United States Bankruptcy Court for the District of Delaware, at District of Delaware, at 824 Market Street North, Wilmington, Delaware 19801.

3. In addition, by this Motion, the Debtors seek, following the conclusion of the Sale Hearing, entry of an order (the “Sale Order”)<sup>2</sup>: (a) authorizing (1) the sale of the Assets free and clear of all claims, liens, liabilities, rights, interests and encumbrances and (2) the assumption and assignment of certain executory contracts and unexpired leases; and (b) granting related relief.

### **JURISDICTION AND VENUE**

4. This Court has jurisdiction to consider this Motion under 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 as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and, under Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for

<sup>2</sup> The proposed Bidding Procedures provide that the Successful Bidder may elect, in its sole discretion, to consummate the Sale via entry of an Order (i) approving the Successful Bid pursuant to sections 105, 363 and 365 of the Bankruptcy Code or (ii) confirming a chapter 11 plan of reorganization/liquidation pursuant to sections 1123(a)(5)(D) and 1141(c) of the Bankruptcy Code.

the District of Delaware (the “Local Rules”), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

5. The statutory bases for the relief requested herein are sections 105, 363, 365, 503 and 507 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rules 2002-1, 6004-1 and 9006-1.

### **BACKGROUND**

6. On March 30 and 31, 2025 (the “Petition Date”), the Debtors filed voluntary petitions for relief in this Court, commencing cases (the “Chapter 11 Cases”) under chapter 11 of the Bankruptcy Code. The Debtors continue to manage and operate their businesses as debtors in possession under sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been requested in the Chapter 11 Cases, and no committees have been appointed.

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.<sup>3</sup>

9. On March 31, 2025, the Debtors filed a motion [D.I. 21] seeking entry of interim and final orders (together, the “DIP Orders”) authorizing the Debtors’ entry into that certain Superpriority Senior Secured Debtor-in-Possession Loan and Security Agreement and Guaranty (the “DIP Credit Agreement”) and other documents related to debtor-in-possession financing, (the “DIP Documents”) with Inherent Aspiration, LLC, as lender (the “DIP Lender”) and Inherent Group, LP, as administrative agent (the “DIP Agent” and, collectively with the DIP Lender, the “DIP Secured Parties”) to provide a superpriority, senior secured and priming debtor-in-possession financing (the “DIP Credit Facility”). The DIP Credit Facility is secured by substantially all property of the Debtors as set forth in the DIP Orders (the “DIP Collateral”).

10. On April 3, 2025, the Court entered the *Interim Order (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims with Superpriority Administrative Expenses Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing and (VI) Granting Related Relief* [D.I. 45] (the “Interim DIP Order”).

11. As set forth in the DIP Credit Agreement and approved by the Interim DIP Order, the Debtors shall comply with the following milestones by the dates set forth below:

- (i) no later than thirty-one (31) calendar days after the Petition Date, April 30, 2025, the Bankruptcy Court shall have entered the Bidding Procedures Order;
- (ii) no later than forty-four (44) calendar days after the Petition Date, May 13, 2025, unless the DIP Agent otherwise agrees, shall be the Bid Deadline;

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

- (iii) no later than forty-six (46) calendar days after the Petition Date, May 15, 2025, the Borrower shall have held the Auction;
- (iv) no later than fifty-two (52) calendar days after the Petition Date, May 21, 2025, the Bankruptcy Court shall have entered the Sale Order; and
- (v) no later than fifty-five (55) calendar days after the Petition Date, May 24, 2025, the Borrower shall have consummated the Sale in accordance with the Sale Order.

12. The Debtors have filed the Chapter 11 Cases to facilitate a value maximizing sale of their assets under section 363 of the Bankruptcy Code.

13. The Chapter 11 Cases and the contemplated sale process afford the Debtors an opportunity to preserve their carbon credit business while restructuring the debt encumbering the Debtors' going concern.

14. The Stalking Horse Bid submitted by the Stalking Horse Bidder will serve the critical function of setting a "floor" for further competitive bidding. Moreover, the terms of the Stalking Horse Bid are reasonable and were the product of good faith, arm's length negotiations among the Debtors and the Stalking Horse Bidder.

15. The anticipated timeline for the bidding process ensures that the assets will be comprehensively marketed without unduly prolonging the Debtors' stay in bankruptcy. Hilco Corporate Finance, LLC ("Hilco"), the Debtors' proposed investment banker, will market the Debtors' assets postpetition in furtherance of maximizing the value of the Debtors' estates. The process contemplated by the Bidding Procedures will leave no doubt that, at the conclusion of that process, the Debtors will have explored all available alternatives and identified the highest or otherwise best offer for their assets.

16. Therefore, the 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, the Court should grant the relief requested herein.

### **THE PROPOSED SALE AND BIDDING PROCEDURES**

#### **I. Summary of Key Terms of the Stalking Horse Bid.**

17. By this Motion, the Debtors are requesting approval of the designation of the Stalking Horse Bidder and Stalking Horse Bid on the terms provided in the Stalking Horse Agreement as well as approval of reasonable and customary Expense Reimbursement and Break-Up Fee. Specifically, the Expense Reimbursement of reasonable and documented out-of-pocket fees and the Break-Up Fee will be payable from the proceeds of a Sale to a higher or better bidder (if any), in the event that the Stalking Horse Bid is not selected as the winning bidder. Given the Debtors' need to maximize the value of the Assets through a timely and efficient marketing and sale process, the ability to designate a Stalking Horse Bid and offer the Expense Reimbursement and Break-Up Fee is justified, appropriate and essential.

18. Recognizing the Stalking Horse Bidder's expenditure of time, energy and resources in connection with the proposed transaction set forth in the Stalking Horse Agreement, and the benefit that those efforts will provide to the Debtors, their estates and creditors, and all other parties in interest, the Debtors have agreed to provide the following bid protections to the Stalking Horse Bidder, payable if the Successful Bidder is not the Stalking Horse Bidder: (a) payment of a break-up fee in an amount equal to \$600,000.00 (the "Break-Up Fee") and (b) reimbursement of the reasonable and documented fees and out-of-pocket expenses actually incurred by the Stalking Horse Bidder in an amount not to exceed \$400,000.00 (the "Expense Reimbursement"); provided

that the payment of any Break-Up Fee and/or Expense Reimbursement shall be subject to the terms and conditions of the Stalking Horse Agreement and the DIP Orders.

19. In accordance with Local Rule 6004-1(b), the pertinent terms of the Stalking Horse Agreement are summarized in the following table.<sup>4</sup> The Debtors respectfully submit that all terms of the Stalking Horse Agreement, including those required to be highlighted under Local Rule 6004-1(b), are fair, reasonable, and appropriate under the circumstances in light of the parties' good faith, arm's-length negotiation of the Stalking Horse Bid and the substantial benefits the Debtors and their estates will realize as a result thereof, including the establishment of a baseline price for the Debtors' assets.

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Parties</b>	<p><u>Sellers</u>: CTN Holdings, Inc., Make Earth Green Again, LLC, Aspiration QFZ, LLC, Carbon Sequestration III, LLC, Carbon Sequestration I, LLC, Carbon Sequestration II, LLC, Reforestation Initiatives I, LLC, Reforestation Initiatives II, LLC, Zero Carbon Holdings, LLC, Catona Climate Solutions, LLC, CTN SPV Holdings, LLC, and Aspiration Fund Adviser, LLC.</p> <p><u>Stalking Horse Bidder</u>: Inherent Aspiration, LLC or one or more of its designees, successors, transferees, or assignees.</p> <p><i>See Stalking Horse Agreement at Preamble.</i></p>

<sup>4</sup> This summary is provided for the convenience of the Court and parties in interest. To the extent there is any conflict between this summary and the Stalking Horse Agreement, the latter governs in all respects. Capitalized terms not used but not otherwise defined in this summary shall have the meanings set forth in the Stalking Horse Agreement.

<sup>5</sup> Defined terms in this table not otherwise defined in the Motion shall have the meanings ascribed thereto in the Stalking Horse Agreement.



<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Purchase Price</b>	<p>The aggregate consideration (collectively, the “<u>Purchase Price</u>”) to be paid by Purchaser for the purchase of the Acquired Assets shall be: (1) a credit bid of amounts owed pursuant to the Prepetition Secured Loan Facility and/or pursuant to the DIP Credit Facility (the “<u>Credit Bid</u>”) pursuant to Section 363(k) of the Bankruptcy Code in an amount equal to \$20,000,000.00 (the “<u>Credit Bid Amount</u>”), which shall be allocated in the Purchaser’s sole discretion as a dollar-for-dollar credit against the amount of all of the outstanding obligations under Prepetition Secured Loan Facility and/or DIP Credit Facility as of the Closing Date, (2) the assumption of Assumed Liabilities, and (3) payment in full of the Cure Payments.</p> <p><i>See Stalking Horse Agreement at § 2.1.</i></p>
<b>Acquired Assets</b>	<p>On the terms and subject to the conditions set forth in the Stalking Horse Agreement and in the Sale Order, at the Closing, Sellers shall sell, transfer, assign, convey, and deliver to Purchaser, and Purchaser shall purchase, acquire, and accept from Sellers, all of Sellers’ right, title and interest in and to, as of the Closing, the Acquired Assets, free and clear of all Encumbrances other than Permitted Encumbrances. “<u>Acquired Assets</u>” means all of each Seller’s right, properties, title and interest in and to, as of the Closing, all assets relating to the Business, including, solely to the extent relating to the Business, the assets expressly listed in Section 1.1 of the Stalking Horse Agreement, but excluding in all cases the Excluded Assets. The Acquired Assets include, among other assets, certain contracts and leases, intellectual property, inventory, goodwill and intangible assets, permits, accounts receivable, cash, tangible personal property and owned vehicles, as further set forth in Section 1.1 of the Stalking Horse Agreement.</p> <p><i>See Stalking Horse Agreement at § 1.1.</i></p>

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Excluded Assets</b>	<p>Notwithstanding anything to the contrary in the Stalking Horse Agreement, in no event shall any Seller be deemed to sell, transfer, assign, convey or deliver, and each such Seller shall retain all right, title and interest to, in and under any properties, rights interests or other assets of such Seller other than the Acquired Assets (collectively, the “<u>Excluded Assets</u>”). Without limiting the foregoing, “Excluded Assets” means all of each Seller’s right, properties, title and interest in and to the assets listed in Section 1.2 of the Stalking Horse Agreement. The Excluded Assets include, among other assets, contracts and leases that are not Assigned Contracts or Assumed Leases, benefit plans, and all current directors and officers insurance policies of the Debtors, as further set forth in Section 1.2 of the Staking Horse Agreement.</p> <p><i>See Stalking Horse Agreement at § 1.2.</i></p>
<b>Assumed Liabilities</b>	<p>On the terms and subject to the conditions set forth in the Stalking Horse Agreement and in the Sale Order, effective as of the Closing, Purchaser shall irrevocably assume from each Seller (and from and after the Closing pay, perform, discharge, or otherwise satisfy in accordance with their respective terms), and such Seller shall irrevocably transfer, assign, convey, and deliver to Purchaser, only the Liabilities, without duplication, listed in Section 1.3 of the Stalking Horse Agreement (collectively, the “<u>Assumed Liabilities</u>”).</p> <p>The Assumed Liabilities expressly include: (a) all Liabilities (other than any Liability for Taxes) arising out of or relating to the ownership and operation of the Acquired Assets or Assigned Contracts arising at or after the Closing that become due and payable after the Closing (including, for the avoidance of doubt, accounts payable for services performed or goods purchased after the Closing); (b) all Liabilities in respect of Transferred Employees arising from and after the Closing (other than with respect to Seller Benefit Plans); and (c) all cure costs required to be paid as determined by the Bankruptcy Court or agreed to by Purchaser and the non-debtor counterparty to the applicable Assigned Contract pursuant to section 365 of the Bankruptcy Code in connection with the assumption and assignment of the Assigned Contracts (the “<u>Cure Costs</u>”).</p> <p><i>See Stalking Horse Agreement at § 1.3.</i></p>

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Excluded Liabilities</b>	<p>Except for the Assumed Liabilities, Purchaser shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liabilities of, or Action against, any of the Sellers of any kind or nature whatsoever, whether absolute, accrued, contingent or otherwise, liquidated or unliquidated, due or to become due, known or unknown, currently existing or hereafter arising, matured or unmatured, direct or indirect, and however arising, whether existing before or on the Closing Date or arising thereafter as a result of any act, omission, or circumstances taking place prior to the Closing (collectively, the <u>“Excluded Liabilities”</u>).</p> <p><i>See Stalking Horse Agreement at § 1.4.</i></p>
<b>Conditions to Closing</b>	<p>The obligations of the Parties to consummate the Closing shall be subject to satisfaction of the conditions precedent set forth in Article VI of the Stalking Horse Agreement, which conditions precedent are usual and customary for transactions of this type, including, but not limited to, a requirement that the Court shall have entered an order approving the Sale and such order shall not have been stayed or modified or subject to appeal.</p> <p><i>See Stalking Horse Agreement at §§ 6.1, 6.2, 6.3, 6.4.</i></p>
<b>“Insider” Status of Stalking Horse Bidder</b> Local Rule 6004-1(b)(iv)(A)	<p>The Purchaser is not an “insider” of the Debtors, as that term is defined in section 101(31) of the Bankruptcy Code.</p>

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Agreements with Management or Key Employees</b> Local Rule 6004-1(b)(iv)(B)	<p>The Stalking Horse Agreement contemplates that, prior to Closing, Sellers shall make available to Purchaser for interviews certain employees as requested by Purchaser. Purchaser may extend to any employee employed by the applicable Seller or Subsidiary thereof a written offer of employment, for employment effective as of the Closing Date, in Purchaser's sole discretion ("<u>Transfer Offer</u>"). Employees who accept such Transfer Offers and begin employment with Purchaser or an Affiliate of Purchaser shall be collectively referred to herein as "<u>Transferred Employees</u>." For any employee of a Seller that Purchaser makes an offer of employment prior to Closing, Purchaser shall notify such Seller (i) with respect to: each employee to whom it made a Transfer Offer (no later than five Business Days after making such Transfer Offer), and (ii) in a reasonable timeframe (but in any event within five Business Days of receiving a response from the applicable Transferred Employee and no later than immediately prior to the Closing) with respect to whether each such offer has been accepted or rejected.</p> <p>As of the filing of this Motion, the Purchaser has not commenced the foregoing process contemplated under the Stalking Horse Agreement and has not otherwise discussed or entered into any agreements with management or key employees regarding compensation or future employment.</p> <p><i>See Stalking Horse Agreement at § 5.6(a)</i></p>
<b>Releases</b> Local Rule 6004-1(b)(iv)(C)	<p>The Stalking Horse Agreement does not contemplate releases other than the following requirements of the Sale Order, which must, among other terms: find that Purchaser is a "good faith" buyer within the meaning of Section 363(m) of the Bankruptcy Code, and find that Purchaser is not a successor to any Seller, and grant Purchaser the protections of Section 363(m) of the Bankruptcy Code; find that Purchaser shall have no Liability or responsibility for any Liability or other obligation of any Seller arising under or related to the Acquired Assets other than as expressly set forth in this Agreement, including successor or vicarious Liabilities of any kind or character, including any theory of antitrust, environmental, successor, or transferee Liability, labor law, de facto merger, or substantial continuity; and find that Purchaser shall have no Liability for any Excluded Liabilities.</p> <p>Purchaser and/or any affiliate of Purchaser, in its capacity as an agent under the DIP Facility, shall obtain a release of any potential claims against it as provided in the DIP Order.</p> <p><i>See Stalking Horse Agreement at §§ 6.1, 6.2, 9.1</i></p>

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Private Sale/No Competitive Bidding</b> Local Rule 6004-1(b)(iv)(D)	The Stalking Horse Agreement contemplates that the Sale shall be implemented pursuant to a bid and auction process.  <i>See Stalking Horse Agreement at Preamble, §§ 1.5(a),(f), 5.3, 7.3.</i>
<b>Closing and Other Deadlines</b> Local Rule 6004-1(b)(iv)(E)	The closing of the Sale must occur by May 24, 2025.  <i>See Stalking Horse Agreement at §§ 2.2, 6.1(b); DIP Credit Agreement at § 8.10(i).</i>
<b>Good Faith Deposit</b> Local Rule 6004-1(b)(iv)(F)	The Stalking Horse Bidder is credit bidding pursuant to section 363(k) of the Bankruptcy Code and is not required to make a Good Faith Deposit with the Debtors. Potential Bidders other than the Stalking Horse Bidder will be required to submit a 10% Good Faith Deposit with their Bids.
<b>Interim Arrangements with Stalking Horse Bidder</b> Local Rule 6004-1(b)(iv)(G)	N/A
<b>Use of Proceeds</b> Local Rule 6004-1(b)(iv)(H)	The Purchase Price shall be allocated to the Acquired Assets (the “ <u>Asset Amount</u> ”). The Asset Amount shall be allocated consistent with the methodology set forth on Section 1060 of the Tax Code and applicable Treasury Regulations. Purchaser shall prepare a statement setting forth such allocation of the Asset Amount (the “ <u>Purchase Price Allocation Statement</u> ”). Purchaser shall deliver the Purchase Price Allocation Statement to Seller within forty-five (45) days after the Closing Date (or such longer period as they may agree to in writing). The Sellers shall have thirty (30) days after receipt of the Purchase Price Allocation Statement within which to review and comment on the Purchase Price Allocation Statement, and Purchaser shall consider in good faith any reasonable comments made by the Sellers. The Purchase Price Allocation shall be binding upon the Parties to the Stalking Horse Agreement for all Tax purposes unless otherwise required by applicable Law.  <i>See Stalking Horse Agreement at § 5.9(b)</i>
<b>Tax Exemption</b> Local Rule 6004-1(b)(iv)(I)	N/A

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Record Retention</b> Local Rule 6004-1(b)(iv)(J)	<p>The Stalking Horse Agreement provides that the Purchaser shall (a) grant the Sellers and their respective representatives reasonable access to the books and records transferred to Purchaser for one (1) year following the Closing Date, and (b) make one or more Transferred Employees available to Seller to assist in Sellers' wind-down. The Parties have further agreed to make available such records and information reasonably requested in connection with tax matters related to the Business.</p> <p><i>See Stalking Horse Agreement at §§ 5.5(b), 5.9(c)</i></p>
<b>Sale of Avoidance Actions</b> Local Rule 6004-1(b)(iv)(K)	<p>Acquired Assets include all rights, claims, accounts and causes of action of such Seller or any of its respective Subsidiaries, including all avoidance actions or similar causes of action arising under sections 544 through 553 of the Bankruptcy Code, against any Person other than any other Seller that is a party to or related to any Assigned Contract or Assumed Liability to the extent that such Persons do not assert or maintain any rights, claims or causes of action against Sellers. Excluded Assets include, on the other hand, all avoidance actions or similar causes of action arising under sections 544 through 553 of the Bankruptcy Code and any analogous state law claims, including any proceeds of the foregoing, other than those specified as Acquired Assets.</p> <p><i>See Stalking Horse Agreement at §§ 1.1(s), 1.2(j).</i></p>
<b>Successor Liability</b> Local Rule 6004-1(b)(iv)(L)	<p>The Debtors expect the proposed Sale Order to include customary findings protecting the Stalking Horse Bidder from successor liability.</p> <p><i>See Stalking Horse Agreement at §§ 6.1(c), 6.2(a), 9.1.</i></p>
<b>Sale Free and Clear of Unexpired Leases</b> Local Rule. 6004-1(b)(iv)(M)	<p>N/A</p>

<b>SUMMARY OF STALKING HORSE AGREEMENT<sup>5</sup></b>	
<b>Credit Bid</b> Local Rule 6004-1(b)(iv)(N)	The Stalking Horse Agreement seeks to permit the Purchaser to credit bid, of amounts owed pursuant to the Prepetition Secured Loan Facility and/or pursuant to the DIP Facility pursuant to Section 363(k) of the Bankruptcy Code in an amount equal to \$20,000,000.00, which shall be allocated in the Purchaser's sole discretion as dollar-for-dollar credit against the amounts of all of the outstanding obligations under the Prepetition Secured Loan Facility and/or DIP Credit Facility as of the Closing Date.  <i>See Stalking Horse Agreement at §§ 2.1, 2.2, 6.1(c), 6.3(b), 9.1.</i>
<b>Relief from Bankruptcy Rule 6004(h)</b> Local Rule 6004-1(b)(iv)(O)	The Debtors are seeking a waiver of the Bankruptcy Rules 6004(a) and 6004(h), as described in more detail below.
<b>Provisions Providing Bid Protections to "Stalking Horse" or Initial Bidder</b> Local Rule 6004-1(c)(i)(C)	<u>Break-up fee</u> : Payment of a break-up fee in an amount equal to \$600,000.  <u>Expense Reimbursement</u> : Reimbursement of the reasonable and documented fees and out-of-pocket expenses actually incurred by the Stalking Horse Bidder, in an amount up to \$400,000.  <i>See Stalking Horse Agreement at § 7.3.</i>

## II. The Bidding Procedures.

20. The Bidding Procedures are designed to facilitate a fair, robust and competitive sale process to ensure that the value of the Assets is maximized. The Bidding Procedures allow the Debtors to solicit and evaluate bids from potential bidders and determine the highest or otherwise best offer for their Assets on a reasonable timeline. As set forth in the First Day Declaration, the Debtors believe the timeframe contemplated by the Bidding Procedures will be sufficient to allow potential bidders to conduct diligence and formulate competing bids. As described, the Debtors, with the assistance of their proposed investment banker, Hilco, are marketing the Debtors' assets.

21. Pursuant to Local Rule 6004-1(c), certain of the key terms of the Bidding Procedures are highlighted in the chart below:<sup>6</sup>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
<b>Provisions Governing Qualification of Bidders and Qualified Bids</b> Local Rule 6004-1(c)(i)(A)-(B)	<p><b>A. Bid Deadline.</b> The Bid Deadline to submit a binding and irrevocable offer to acquire the Assets is <b><u>May 13, 2025 at 4:00 p.m. (ET)</u></b>.</p> <p><b>See Bidding Procedures at § E.</b></p> <p><b>B. Potential Bidder Requirements.</b> To participate in the formal bidding process or otherwise be considered for any purpose under the Bidding Procedures, a person (other than the Stalking Horse Bidder) interested in submitting a bid (an “<u>Interested Party</u>”) must deliver to the Debtors, counsel to the Debtors and Hilco an executed confidentiality agreement substantially in the form previously sent to Agents’ counsel on April 9, 2025 (each, a “<u>Confidentiality Agreement</u>”). Such person or entity that has delivered an executed Confidentiality Agreement shall be considered a potential bidder (a “<u>Potential Bidder</u>”)</p> <p><b>C. Diligence Access Requirements.</b> The Debtors will provide to each Potential Bidder reasonable due diligence information, as requested, as soon as reasonably practicable after such request, provided that if any Potential Bidder is (or is affiliated with) a competitor of the Debtors, the Debtors will not be required to disclose to such Potential Bidder any trade secrets, proprietary information, or other commercially sensitive information unless, under the Debtors’ business judgment in consultation with the Consultation Parties, the Confidentiality Agreement executed by such Potential Bidder (i) sufficiently protects the Debtors’ estates, and (ii) contains appropriate provisions to ensure that such trade secrets or proprietary information will not be used by such Potential Bidder or its Affiliates for an improper purpose or to gain an unfair competitive advantage. Each Potential Bidder will comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding such Potential Bidder and its contemplated transaction. If the Debtors, after consultation with the Consultation Parties, determine at any time in their reasonable discretion that a Potential Bidder is not reasonably likely to be a Qualified Bidder (as defined below), then the Debtors’ obligation to provide due diligence information to such Potential Bidder will terminate and all information provided by the Debtors prior to such time</p>

<sup>6</sup> This summary is provided for the convenience of the Court and parties in interest. To the extent there is any conflict between this summary and the Bidding Procedures, the Bidding Procedures govern in all respects. Capitalized terms used but not otherwise defined in this summary shall have the meanings set forth in the Bidding Procedures.



MATERIALS TERMS OF THE BIDDING PROCEDURES	
	<p>shall be returned to the Debtors or destroyed in accordance with the terms of the applicable Confidentiality Agreement.</p> <p><b>See Bidding Procedures at § D</b></p> <p><b>D. Bid Requirements.</b> To be eligible to participate in the Auction, each Potential Bidder must submit a Bid, which Bid must be received by the Debtors’ advisors no later than the Bid Deadline, and which Bid must satisfy each of the following conditions (together, the “<u>Bid Requirements</u>”):</p> <ol style="list-style-type: none"> <li>(1) state that the applicable Potential Bidder offers to purchase the Acquired Assets upon terms and conditions no less favorable to the Debtors’ estates as the Debtors, in consultation with the Consultation Parties, may reasonably determine, than the transactions contemplated in the Stalking Horse Agreement;</li> <li>(2) be accompanied by a deposit (each, a “<u>Good Faith Deposit</u>”) in the form of a wire transfer or certified check or such other form acceptable to the Debtors in their sole discretion, payable to the order of Kurtzman Carson Consultants, LLC dba Verita Global (the “<u>Escrow Agent</u>”), in an amount equal to 10% of the cash portion of the Purchase Price being bid;</li> <li>(3) specify the amount of cash or other consideration offered by the Potential Bidder (the “Purchase Price”), which Purchase Price must: (a) exceed the aggregate sum of (i) the aggregate consideration set forth in the Stalking Horse Agreement; (ii) the Assumed Liabilities set forth in the Stalking Horse Agreement; (iii) the Expense Reimbursement and Break-Up Fee, and (iv) the minimum bid increment of \$250,000; and (b) include an amount of cash consideration at closing that exceeds the aggregate sum of (i), (iii) and (iv) (such aggregate sum specified in (a) and (b), the “<u>Minimum Purchase Price</u>”);</li> <li>(4) include an executed asset purchase agreement, together with all exhibits and schedules thereto, pursuant to which the Potential Bidder proposes to effectuate a proposed transaction at the Purchase Price (the “<u>Transaction Documents</u>”), which Transaction Documents must include a copy of the proposed asset purchase agreement marked against the Stalking Horse Agreement to show all changes requested by the Potential Bidder including, but not limited</li> </ol>

MATERIALS TERMS OF THE BIDDING PROCEDURES	
	<p>to, treatment of any assumed liabilities;</p> <p>(5) be irrevocable by the Potential Bidder until the selection of the Successful Bid in accordance with the terms of these Bidding Procedures; <i>provided</i> that if such Potential Bidder is selected as the Successful Bidder or Back-Up Bidder and is required to be a Back-Up Bidder hereunder, its Bid must remain irrevocable until the Debtors' consummation of a sale with the Successful Bidder;</p> <p>(6) include a list which specifies in detail which of the Debtors' unexpired leases and executory contracts are to be assumed by the Debtors and assigned to the Potential Bidder in connection with the consummation of the proposed transaction and an agreement that the Potential Bidder will pay any related cure costs;</p> <p>(7) contain a description of how the Potential Bidder intends to treat the Debtors' current employees;</p> <p>(8) provide a commitment to close by May 24, 2025;</p> <p>(9) not be conditioned on any contingency, including unperformed due diligence, obtaining financing, obtaining third-party consents, or any internal approval;</p> <p>(10) include an acknowledgement that the sale or transfer of the Acquired Assets will be on an "as is, where is" basis and without representations or warranties of any kind by Debtors or their agents other than as set forth in the Stalking Horse Agreement;</p> <p>(11) include a description of all governmental, licensing, regulatory or other filings, approvals or consents, that are required to be made or obtained to close the proposed transaction, together with evidence of the ability to make any applicable filings or submissions within three (3) business days of being declared the Successful Bidder;</p> <p>(12) contain written evidence of a commitment for financing or other evidence of the ability to consummate a proposed transaction at the Purchase Price (including sufficient financial or other information to establish adequate assurance of future performance pursuant to section 365(f)(2) of the Bankruptcy Code and, if applicable, section 365(b)(3) of the</p>

MATERIALS TERMS OF THE BIDDING PROCEDURES	
	<p>Bankruptcy Code to the non-Debtor counterparties to any executory contracts and unexpired leases to be assumed by the Debtors and assigned to the Potential Bidder in connection with the proposed transaction), satisfactory to the Debtors in their reasonable discretion with appropriate contact information for such financing sources;</p> <p>(13) contain written evidence satisfactory to the Debtors, after consultation with the Consultation Parties, of authorization and approval from the Potential Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and consummation of such Bid and the transaction(s) contemplated therein and any Overbid(s) (as defined below), and related Transaction Documents;</p> <p>(14) not request or entitle the Potential Bidder to any break-up fee, termination fee, expense reimbursement or similar type of payment (except to the extent consented to in writing by Debtors after consultation with Agents);</p> <p>(15) fully disclose the identity of each entity that will be bidding for the Acquired Assets or otherwise sponsoring, financing (including through the issuance of debt in connection with such Bid), participating in or benefiting from (including through license or similar arrangement with respect to the assets to be acquired in connection with such Bid) such Bid (a "<u>Participating Party</u>"), and the complete terms of any such sponsorship, participation, financing or benefit;</p> <p>(16) constitute a good faith, bona fide offer to effectuate the proposed transaction;</p> <p>(17) include a written acknowledgement by such Potential Bidder that it agrees to all of the terms for sale set forth in these Bidding Procedures;</p> <p>(18) include an agreement to provide any other information reasonably requested by the Debtors; and</p> <p>(19) be received by the Bid Deadline.</p> <p><b>See Bidding Procedures at § E.</b></p>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
	<p><b>E. Designation of Qualified Bidder.</b> A qualified bidder (“<u>Qualified Bidder</u>”) is a Potential Bidder that, in the Debtors’ reasonable determination, after consultation with the Consultation Parties, (i) has timely submitted a Bid that satisfies each of the Bid Requirements listed above and (ii) is able to consummate the proposed transaction within the required timeframe if selected as the Successful Bidder (such Bid submitted by a Qualified Bidder, a “<u>Qualified Bid</u>”); <i>provided</i> that the Debtors reserve the right to work with any Potential Bidder to cure any deficiencies in a Bid that is not initially deemed a Qualified Bid. Within two (2) business days after a Potential Bidder delivers all of the documents described above, the Debtors will determine in their reasonable discretion, after consultation with the Consultation Parties, whether such Potential Bidder is a Qualified Bidder, and notify the Potential Bidder of such determination. For the avoidance of doubt, (i) the Stalking Horse Bidder is a Qualified Bidder, (ii) the Stalking Horse Agreement is a Qualified Bid, and (iii) the Stalking Horse Bidder is authorized to submit any Overbids (as defined below) during the Auction, in each instance without further qualification required of the Stalking Horse Bidder.</p> <p>Notwithstanding anything in the Bidding Procedures to the contrary, without any further action of any kind: (a) each Agent (and any designee of each Agent, including, without limitation, any entity that may be formed by or on behalf of any of the DIP Lender (and any designee of the DIP Lender) may submit a Bid and, in connection with any such Bid, is, and will be deemed to be, a Qualified Bidder for all purposes under and in connection with these Bidding Procedures and may credit bid all or any portion of the Prepetition Secured Note Obligations and the DIP Obligations (each as defined in the DIP Orders) in accordance with applicable law, including, without limitation, at any Auction; (b) any credit bid made by any Agent or any DIP Lender (or such designee) is, and will be deemed to be, a Qualified Bid in each instance and for all purposes under and in connection with the Bidding Procedures and will be deemed to be, and will be evaluated by the Debtors, and the Consultation Parties as, a cash Qualified Bid; and (c) subject to the proviso at the end of this sentence, Agents, DIP Lender and such designees will not be subject to the terms and conditions of the section entitled “Bid Requirements”: clauses (2), (3), (9), (11), (12), (13), and (18), of the Bidding Procedures; <i>provided</i>, however, that (x) such Agent or the DIP Lender (or any designee thereof) submitting a credit bid will provide a Good Faith Deposit, provided that such Good Faith Deposit shall consist of a reduction in the applicable secured claim of such Agent or such DIP Lender in the Cases and will not be payable in cash notwithstanding anything to the contrary in these Bidding Procedures and (y) any such bid must provide for the payment in full in cash of the</p>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
	<p>Expense Reimbursement and Break-Up Fee. These Bidding Procedures are subject to the terms and provisions of the DIP Orders.</p> <p>In the event that any Agent or DIP Lender (or such designee) submits a Bid and is still participating in the Auction process, the Agents and the DIP Lender (or such designee) shall no longer be considered a Consultation Party with respect to the assets for which it has submitted a Bid; provided, that if any such party irrevocably indicates in writing that it is no longer a bidder for such assets, such party shall thereafter be considered a Consultation Party.</p> <p><b>See Bidding Procedures at § Section F.</b></p>
<p><b>Provisions Providing Bid Protections to “Stalking Horse” or Initial Bidder</b> Local Rule 6004-1(c)(i)(C)</p>	<p>The Stalking Horse Agreement provides for payment of bid protections in the form of a break-up fee in the amount of \$600,000.00 (the “<u>Break-Up Fee</u>”) and a reimbursement of the Stalking Horse Bidder’s actual, reasonable, documented out-of-pocket expenses up to an amount not to exceed \$400,000.00 (the “<u>Expense Reimbursement</u>”).</p> <p><b>See Bidding Procedures at Preamble.</b></p>
<p><b>Modification of Bidding and Auction Procedures</b> Local Rule 6004-1(c)(i)(D)</p>	<p>The Debtors, in their discretion, and in consultation with the Consultation Parties, shall have the right to hold the Auction at another place or virtually, with instructions for Qualified Bidders to participate to be provided prior to the Auction, with notice to all Qualified Bidders and any other invitees.</p> <p><b>See Bidding Procedures at § H(2).</b></p> <p>The Debtors, in their reasonable discretion, after consultation with the Consultation Parties, reserve the right to conduct the Auction in a manner designed to maximize value based upon the nature and extent of the Qualified Bids received.</p> <p><b>See Bidding Procedures at § H(5).</b></p> <p>The Sale Hearing may be adjourned or rescheduled by the Debtors to a time and date consistent with the Court’s calendar, as set forth in notice on the docket of the Cases, a notice of agenda or stated orally on the record at a hearing before the Court.</p> <p><b>See Bidding Procedures at § J.</b></p>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
	<p>The Debtors reserve the right in consultation with the Consultation Parties, in their reasonable discretion and subject to the exercise of their business judgment, to alter or modify any of the rules or procedures set forth in the Bidding Procedures, to waive terms and conditions set forth in the Bidding Procedures with respect to all potential bidders, extend the deadlines set forth in the Bidding Procedures, alter the assumptions set forth herein, and/or to terminate discussions with any and all prospective acquirers and investors at any time and without specifying the reasons therefor, in each case to the extent not materially inconsistent with the Bidding Procedures Order or the Stalking Horse Agreement; <i>provided</i>, however, that the Debtors shall not waive the requirement to make a Good Faith Deposit.</p> <p><b><i>See Bidding Procedures at § M.</i></b></p> <p>Nothing in the Bidding Procedures shall require the Debtors to take any action, or to refrain from taking any action to the extent the Debtors determine that refraining from taking such action or taking such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.</p> <p><b><i>See Bidding Procedures at § M.</i></b></p> <p>The Stalking Horse Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, solely in accordance with the terms thereof, without further order of the Court.</p> <p><b><i>See Proposed Bidding Procedures Order at ¶ 14.</i></b></p>
<p><b>Closing with Alternative Back-Up Bidder(s)</b> Local Rule 604-1(c)(i)(E)</p>	<p><b>Selection of Successful Bid and Back-Up Bid(s).</b> At the conclusion of the Auction, the Debtors, in the exercise of their reasonable business judgment, in consultation with the Consultation Parties, will select (i) the highest acceptable Bid (the “<u>Successful Bid</u>”) or collection of Bids (the “<u>Successful Bids</u>”) submitted by a Qualified Bidder during the Auction that the Debtors believe is most beneficial to the Debtors and their estates, and (ii) at the Debtors’ discretion, the next highest acceptable Bid (the “<u>Back-Up Bid</u>”) or collection of Bids (the “<u>Back-Up Bids</u>”) after the Successful Bid(s). In selecting the Successful Bid(s) and the Back-Up Bid(s), if any, the Debtors, in consultation with the Consultation Parties, shall take into account the projected percentage recovery to general unsecured creditors and the certainty of such recovery and whether all administrative, priority and secured claims will be paid in full and may also consider, among other things: (i) the number,</p>

MATERIALS TERMS OF THE BIDDING PROCEDURES	
	<p>type and nature of any changes to the Stalking Horse Agreement which may delay closing of the contemplated transaction and the cost to the Debtors of such modifications or delay; (ii) the liabilities being assumed; (iii) the likelihood of the Qualified Bidder's ability to close its proposed transaction and the timing thereof; (iv) the expected net benefit of the transaction to the Debtors' estates and (v) any other factors the Debtors may reasonably deem relevant. The Qualified Bidder that submits a Successful Bid will be deemed a "<u>Successful Bidder</u>," and the Qualified Bidder that submits a Back-Up Bid, if any, will be deemed a "<u>Back-Up Bidder</u>." The Successful Bidder(s) and Back-Up Bidder(s), following the completion of the Auction, must increase their Good Faith Deposits so that they equal 10% of such Successful Bid or Back-Up Bid, as applicable.</p> <p>The Auction will close when the Debtors announce that a Successful Bid(s) and, to the extent the Debtors determine, in consultation with the Consultation Parties, a Back-Up Bid(s), have been selected. Notwithstanding anything herein to the contrary, the Debtors are authorized, but not required, to select a Back-Up Bidder and a Back-Up Bid. For the avoidance of doubt, the Debtors will not consider or support any Bid for any of the Acquired Assets (whether or not such bid is made by a Qualified Bidder) received after the close of the Auction.</p> <p>Upon declaration of the Successful Bid, the Successful Bidder shall, in its sole discretion, elect to consummate the Sale via entry of the Sale Order (i) granting the Motion pursuant to sections 105, 363 and 365 of the Bankruptcy Code or (ii) confirming a plan of reorganization/liquidation pursuant to sections 1123(a)(5)(D) and 1141(c) of the Bankruptcy Code.<sup>7</sup></p> <p>The Back-Up Bid(s), if any, will remain open and binding on the Back-Up Bidder(s) until consummation of the Successful Bid(s) with the Successful Bidder(s). If a Successful Bidder fails to consummate a Successful Bid within the time set forth therein, the Debtors will be authorized, but not required, to select a Back-Up Bidder, if any, as the new Successful Bidder, and shall proceed to consummate the Successful Bid of the new Successful Bidder.</p> <p><b>See Bidding Procedures at § I.</b></p>

<sup>7</sup> In the event the Successful Bidder elects to consummate the Sale through the confirmation of a chapter 11 plan of reorganization/liquidation, the DIP Credit Agreement shall be deemed amended to extend the deadline to have consummated the Sale through and including forty five (45) days from the conclusion of the Sale Hearing, or such other date as the Successful Bidder and DIP Lender agree, to permit the Successful Bidder to propose and obtain confirmation of such chapter 11 plan.

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
<p><b>Provisions Governing the Auction</b> Local Rule 6004-1(c)(ii)</p>	<p><b>A. Auction.</b> If the Debtors receive two or more Qualified Bids (including the Stalking Horse Bid), the Debtors may hold an Auction, which Auction shall be conducted openly; <i>provided</i> that the Debtors in their discretion and with the prior written consent of the Agents (acting at the direction of the Prepetition Secured Parties or DIP Lender (as defined in the DIP Orders) may elect to forego an Auction and select a Qualified Bid as the Successful Bid. If no Qualified Bids (other than the Stalking Horse Bid) are received by the Bid Deadline, then the Auction shall be cancelled, the Stalking Horse Bidder will be deemed the Successful Bidder, the Stalking Horse Agreement will be the Successful Bid, and, at the Sale Hearing, the Debtors will seek final Court approval of the sale of the Acquired Assets to the Stalking Horse Bidder in accordance with the terms of the Stalking Horse Agreement.</p> <p><i>See Bidding Procedures at § H(1).</i></p> <p><b>B. Auction Date and Location.</b> If an Auction is held, it will commence <u>on or before May 15, 2025, at 10:00 a.m. (Prevailing Eastern Time) at the offices of Whiteford, Taylor &amp; Preston, LLC, 600 North King Street, Suite 300, Wilmington, DE 19801</u>, telephonically or by video via Zoom or such later time or other place, in consultation with the Consultation Parties; ; <i>provided, however</i>, that the Debtors, in their discretion, and in consultation with the Consultation Parties, shall have the right to hold the Auction at another place or virtually, with instructions for Qualified Bidders to participate to be provided prior to the Auction, with notice to all Qualified Bidders and any other invitees. The Auction will be transcribed to ensure an accurate recording of the bidding at the Auction.</p> <p><i>See Bidding Procedures at § H(2).</i></p> <p><b>C. Baseline Bid.</b> No later than one (1) day prior to the commencement of the Auction, the Debtors will provide all Notice Parties and Consultation Parties with complete copies of all Transaction Documents and all other bid materials submitted by each other Qualified Bidder, subject to exclusion of any confidential financial information as determined by the Debtors in their reasonable discretion or which has been so designated by the applicable Qualified Bidder. At the commencement of the Auction, the Debtors will notify all Qualified Bidders, Notice Parties and Consultation Parties of the highest acceptable Qualified Bid, as determined by the Debtors in their reasonable discretion after consultation with the Consultation Parties (the “<u>Baseline Bid</u>”). The Debtors’ determination of which Qualified Bid constitutes the Baseline Bid, in consultation with the Consultation Parties, shall take into account factors such as the potential recovery to</p>



MATERIALS TERMS OF THE BIDDING PROCEDURES	
	<p>general unsecured creditors, if any, pursuant to such Qualified Bid and the certainty of such recovery, whether all administrative, priority and secured claims will be paid in full under such Qualified Bid and any other factors the Debtors, in consultation with the Consultation Parties, reasonably deem relevant to the value of the Qualified Bid to the estates. No later than the day prior to the commencement of the Auction, each Qualified Bidder that has timely submitted a Qualified Bid must inform the Debtors whether it intends to attend the Auction; <i>provided</i> that in the event a Qualified Bidder elects not to attend the Auction, such Qualified Bidder's Qualified Bid will nevertheless remain fully enforceable against such Qualified Bidder.</p> <p><b>See Bidding Procedures at § H(3)</b></p> <p><b>D. Participation Requirements.</b> Only a Qualified Bidder that has submitted a Qualified Bid will be eligible to participate at the Auction. The authorized representatives of each of the Qualified Bidders (including the Stalking Horse Bidder), the Debtors, the Agent, and the Committee will be permitted to attend the Auction. In addition, pursuant to Local Rule 6004-1, all creditors of the Debtors who have not submitted Bids may attend the Auction as observers, <i>provided</i> that they send an email to Debtors' counsel indicating that they intend to attend the Auction no less than one (1) Business Day prior to the Auction, <i>provided further</i> that the Debtors' right to object on an emergency basis to any such creditor's proposed attendance at the Auction is reserved.</p> <p><b>See Bidding Procedures at § H(4)</b></p> <p><b>E. Auction Procedures.</b> The Debtors and their professionals will direct and preside over the Auction. At the start of the Auction, the Debtors will describe the terms of the Baseline Bid. All Bids made thereafter must be Overbids (as defined below) and will be made and received on an open or closed basis, as determined by Debtors in consultation with the Consultation Parties, and all material terms of each Bid will be fully disclosed to all other Qualified Bidders. The Debtors will maintain a transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, the Successful Bid and the Back-Up Bid. Each Qualified Bidder will be required to confirm on the record of the Auction that it has not engaged in any collusion with respect to the bidding or the sale of the Acquired Assets. The Debtors, in their reasonable discretion, after consultation with the Consultation Parties, reserve the right to conduct the Auction in a manner designed to maximize value based upon the nature and extent of the Qualified Bids received. The Debtors and their professionals will consult in good faith with the Consultation Parties throughout the Auction process.</p>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
	<p>During the Auction, bidding will begin initially with the Baseline Bid and subsequently continue in minimum increments of at least \$250,000 (each, an “<u>Overbid</u>”). The Debtors will announce at the Auction the material terms of each Overbid, value each Overbid in accordance with these Bidding Procedures and provide each Qualified Bidder with an opportunity to make a subsequent Overbid (except in the event of a round of closed, final bidding). Additional consideration in excess of the amount set forth in the Baseline Bid may include cash and/or other consideration acceptable to the Debtors in accordance with these Bidding Procedures; <i>provided</i>, however, that no portion of the consideration may include non-cash consideration other than in the form of the assumption of Assumed Liabilities without the prior written consent of Agents (acting at the direction of the Prepetition Secured Parties pursuant to the Prepetition Secured Note Documents and DIP Documents (each as defined in the DIP Orders)). Qualified Bidders must submit a Bid in each round of bidding that is higher or otherwise better than the highest or otherwise best Bid submitted by a Qualified Bidder in the prior round of bidding in order to remain eligible to participate in future rounds of bidding in the Auction. To the extent that a Qualified Bidder fails to submit a Bid in a round of bidding that is higher or otherwise better than the highest or otherwise best Bid submitted by a Qualified Bidder in the prior round of bidding, such Qualified Bidder shall be disqualified from continuing to participate in the Auction. When bidding at the Auction, the Stalking Horse Bidder will receive a cash credit in the amount of the Expense Reimbursement and Break-Up Fee and will be allowed to bid the Expense Reimbursement and Break-Up Fee.</p> <p>To the extent that an Overbid has been accepted entirely or in part because of the addition, deletion, or modification of a provision or provisions in the applicable Transaction Documents or the Stalking Horse Agreement, the Debtors, after consultation with the Consultation Parties, will provide notice to each participant of the value ascribed by the Debtors to any such added, deleted, or modified provision or provisions, with such value being determined by the Debtors in their reasonable discretion, after consultation with the Consultation Parties.</p> <p>Any Overbid made from time to time by a Qualified Bidder must remain open and binding on the Qualified Bidder unless and until (i) the Debtors accept a higher and otherwise better bid submitted by another Qualified Bidder during the Auction as an Overbid and (ii) such Overbid is not selected as the Back-Up Bid (as defined below). To the extent not previously provided (which will be determined by the Debtors), a Qualified Bidder submitting an Overbid must submit at the Debtors’ request, as part of its Overbid, written evidence (in the form of financial</p>

<b>MATERIALS TERMS OF THE BIDDING PROCEDURES</b>	
	disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors (in consultation with the Consultation Parties)) demonstrating such Qualified Bidder's ability to close the transaction at the purchase price contemplated by such Overbid.
	<b><i>See Bidding Procedures at § H(5)</i></b>

### **III. Form and Manner of Sale Notice.**

22. As soon as reasonably practicable after entry of the Bidding Procedures Order, the Debtors will serve the Sale Notice, the Bidding Procedures Order, and the Bidding Procedures upon the following parties or their respective counsel, if known (collectively, the "Notice Parties"): (a) the U.S. Trustee for the District of Delaware; (b) counsel to the Stalking Horse Bidder; (c) counsel any committee appointed in these Chapter 11 Case; (d) the United States Attorney's Office for the District of Delaware; (e) the Internal Revenue Service; (f) the attorneys general for the states in which the Debtors operate; (g) any parties known or reasonably believed to have expressed an interest in the Debtors' assets; (h) all entities known or reasonably believed to have asserted a lien, encumbrance, claim, or other interest in any of the Debtors' assets; (i) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (j) all known creditors of the Debtors.

23. Additionally, as soon as practicable after entry of the Bidding Procedures Order, the Debtors shall publish a notice, substantially in the form of the Sale Notice, on one occasion, in *The New York Times National Edition*. This publication notice will provide notice of the sale to any other interested parties whose identities are unknown to the Debtors.

24. The Debtors submit that the Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the proposed sale, including: (a) the date, time, and place of the Auction (if one is held); (b) the Bidding Procedures and the dates and deadlines related thereto; (c) the dates and deadlines related to the Sale Hearing; and (d) instructions for

promptly obtaining a copy of the Stalking Horse Agreement. Accordingly, the Debtors request that the form and manner of the Sale Notice be approved and that the Court determine that no other or further notice of the Auction or Sale Hearing is required.

#### **IV. Designation Procedures/Post Auction Notice.**

25. To facilitate the Sale, the Debtors seek authority to assume and assign the Assigned Contracts designated by the Successful Bidder to the Successful Bidder. The Debtors seek authority to assume and assign the Assigned Contracts to the Successful Bidder in accordance with the assumption and assignment procedures set forth below (the “Designation Procedures”), to govern the assumption and assignment of all of the Debtors’ executory contracts and unexpired leases to be assumed and assigned in connection with the Sale, subject to the payment of any payments necessary to cure any defaults arising under any Assigned Contract (the “Cure Payments”). The Designation Procedures are as follows:

- a. **Stalking Horse Bidder Adequate Assurance Information.** On or prior to **May 2, 2025**, the Stalking Horse Bidder shall provide to the Debtors sufficient and adequate financial and other information to demonstrate that the Stalking Horse Bidder (a) has the financial wherewithal and ability to consummate the acquisition of the Assets as provided in the Stalking Horse Bid, and (b) can provide adequate assurance of future performance in satisfaction of the requirements under section 365(f)(2)(B) of the Bankruptcy Code, and the Stalking Horse’s willingness to perform, under any contracts that are proposed to be assumed and assigned to the Stalking Horse Bidder.
- b. **Cure Notice.** On or prior to **May 2 2025** (the “Cure Notice Deadline”), the Debtors shall file with the Court and serve a notice of contract assumption (the “Cure Notice”), in substantially the form attached hereto as **Exhibit 3**, by email, where available, or overnight delivery on all counterparties to all potential Assigned Contracts (each, a “Counterparty” and, collectively, the “Counterparties”). The Cure Notice shall include, without limitation, a list of Assigned Contracts (the “Assigned Contract List”) that may be assumed and assigned in connection with the Sale and the Cure Payment, if any, that the Debtors believe is required to be paid to the applicable Counterparty under Bankruptcy Code sections 365(b)(1)(A) and (B) for each of the Assigned Contracts. If no Cure Payment is listed on the Assigned Contracts List for a particular

Assigned Contract, the Debtors' asserted Cure Payment for such Assigned Contract shall be deemed to be \$0.00. The Assigned Contracts List shall identify each of the potential Assigned Contracts by the name or appropriate description and date of such potential Assigned Contract (if available), the Counterparties and the address of such Counterparties for notice purposes. Service of an Cure Notice does not constitute an admission that such contract is an executory contract or unexpired lease or that such stated Cure Payment constitutes a claim against the Debtors or a right against the Successful Bidder (all rights with respect thereto being expressly reserved). Further, the inclusion of a contract or lease on the Cure Notice is not a guarantee that such contract will ultimately be assumed and assigned.

- c. **Cure Payments.** The payment of the applicable Cure Payments specified in the Cure Notice by the Successful Bidder after the expiration of the applicable objection period and the failure of any applicable Counterparty to timely and properly object to the proposed Cure Payment or to the assumption or assignment of its executory contract or unexpired lease, shall (i) effect a cure of all defaults existing thereunder as of the filing of the Cure Notice, and (ii) compensate for any actual pecuniary loss to such counterparty resulting from such default.
- d. **Contract Objections.** Objections, if any, to the proposed assumption and assignment of a contract or lease, including objections to Cure Payments (each, as defined above, a "Contract Objection"), must (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules, and the Local Rules, (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed Cure Payment, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (iv) be filed with the Court and served, so as to be actually received by, the Objection Notice Parties before the Sale Objection Deadline, except as otherwise set forth below with respect to Subsequently Designated Assigned Contracts.
- e. **Changes to Assigned Contract List and Cure Payments.** At the election of the Successful Bidder, up until two (2) business days prior to the closing of any Sale, the Debtors may file and serve supplements or amendments to the Assigned Contracts List (each, a "Supplemental Cure Notice") to (i) add previously omitted Assigned Contracts to the Assigned Contracts List as contracts that may be assumed and assigned to a Successful Bidder in accordance with the definitive agreement for the Sale by filing a supplement to the Assigned Contracts List or (ii) modify the Cure Payment for any Assigned Contract (together, "Subsequently Designated Assigned Contracts"). Contract Objections with respect to Subsequently Designated Assigned Contracts shall be filed no later than ten (10) days from service of a Supplemental Cure Notice identifying the Subsequently Designated Assigned Contracts and served on the Objection Notice Parties (the "Subsequently Designated Assigned Contracts Deadline"). Such objections must (a) be in writing, (b) comply with the applicable provisions of the Bankruptcy Rules, and the Local Rules, (c) state, with specificity, the legal and factual bases thereof, and (d) be filed with the Court and served so as to be actually received by the Objection Notice Parties. Any party

or entity who fails to timely and properly make an objection with respect to the Subsequently Designated Assigned Contracts on or before the Subsequently Designated Assigned Contracts Deadline shall be forever barred from asserting any objection with respect to the Subsequently Designated Assigned Contracts.

- f. **Removal of Contracts from Assigned Contract List.** Up until two (2) business days prior to Closing, the Debtors are authorized, but not directed, if the Successful Bidder so requests, to remove an Assigned Contract from the Assigned Contract List that a successful bidder proposes be assumed and assigned in connection with the Sale.
- g. **Notice of Successful Bidder/Non-Stalking Horse Adequate Assurance Objections.** As soon as practicable after the Auction and in no event later than 24 hours after the Auction, the Debtors shall file with the Court and post on the case website, <https://www.veritaglobal.net/CTNHoldings>, a notice identifying any Successful Bidder and Back-Up Bidder (the “Notice of Successful Bidder”), together with a copy of the Successful Bidder’s proposed purchase agreement and financial and other information regarding adequate assurance of future performance of the Assigned Contracts, and serve the Notice of Successful Bidder on the Counterparties by email, where available, or overnight delivery, and the Counterparties shall file any Contract Objections solely on the basis of adequate assurance of future performance by the Successful Bidder other than the Stalking Horse Bidder (each, an “Non-Stalking Horse Adequate Assurance Objection”) not later than the Auction Objection Deadline.
- h. **Assigned Contracts.** At the Sale Hearing, the Debtors will seek Court approval of the assumption and assignment to the Successful Bidder of the Assigned Contracts, subject to the dispute resolution procedures set forth in paragraph 23(d) in the Bidding Procedures Order; *provided* that, in the event the Successful Bidder is not the Stalking Horse Bidder, objections to adequate assurance of future performance of the Assigned Contracts by such Successful Bidder shall be heard at a subsequent hearing, as set forth in paragraph 23(c) in the Bidding Procedures Order. The inclusion of an Assigned Contract on a Cure Notice will not (a) obligate the Debtors to assume any Assigned Contract listed thereon nor the Successful Bidder to take assignment of such Assigned Contract or (b) constitute any admission or agreement of the Debtors that such Assigned Contract is an executory contract.
- i. **Dispute Resolution.** To the extent that the parties are unable to consensually resolve any Contract Objection prior to the commencement of the Sale Hearing, including, without limitation, any dispute with respect to the cure amount required to be paid to the applicable Counterparty under Bankruptcy Code sections 365(b)(1)(A) and (B) (any such dispute, a “Cure Dispute”), such Contract Objection shall be adjudicated at the Sale Hearing or at such other date and time as the Debtors determine, in their discretion and in consultation with the Successful Bidder and the Consultation Parties (subject to the Court’s calendar). If such Contract Objection has not been resolved prior to the closing of a Sale (whether by an order of the Court or by agreement with

the Counterparty), the Successful Bidder may (a) treat such Counterparty's contract or lease as part of Excluded Assets or (b) temporarily treat the Counterparty's contract or lease as part of Excluded Assets (a "Designated Agreement"), proceed to the closing of the Sale with respect to all other Assets, and determine whether to treat the Designated Agreement as an Assigned Contract, or part of Excluded Assets within ten (10) business days after resolution of such objection (whether by order of the Court or by written agreement of the applicable Successful Bidder, the Counterparty, and the Debtors).

- j. **Back-Up Bidder Adequate Assurance Objections.** In the event that a Successful Bidder does not consummate the Sale and a Back-Up Bidder (other than the Stalking Horse Bidder) has been previously identified, the Debtors shall file with the Court and post on the case website, <https://www.veritaglobal.net/CTNHoldings>, a Notice of Intent to Proceed with Back-Up Bid, together with a copy of the Back-Up Bidder's proposed purchase agreement and financial and other information regarding adequate assurance of future performance of the Assigned Contracts by the Back-Up Bidder (including the name of the Back-Up Bidder and description of its business), and serve the Notice of Intent to Proceed with Back-Up Bid on the Counterparties by email, where available, or overnight delivery, and the Counterparties shall have seven (7) days to file and serve on the Objection Notice Parties a Contract Objection solely on the basis of adequate assurance of future performance by the Back-Up Bidder. If any objections are filed, the Debtors shall schedule a hearing, which may be expedited, upon reasonable notice under the circumstances (which shall be no less than ten (10) days after the Notice of Intent to Proceed with Back-Up Bid is filed), with respect to such Contract Objections.
- k. **Contract Assumption at Closing.** No Assigned Contract shall be deemed assumed and assigned pursuant to section 365 of the Bankruptcy Code until the later of (i) the date the Court has entered an order authorizing the assumption and assignment of such Assigned Contracts or (ii) the date the Sale has closed.

26. Any party who fails to timely file an objection to its scheduled cure amount listed on the Cure Notice or to the assumption and assignment of a Contract or Lease (i) shall be forever barred, estopped and enjoined from objecting thereto, including (a) making any demands for additional cure amounts or monetary compensation on account of any alleged defaults for the period prior to the applicable objection deadline against the Debtors, their estates or the Contract Party or the Stalking Horse Bidder or other Successful Bidder selected at the Auction, if any, with respect to any such Contract or Lease, (b) from contesting the assumable and assignable nature of the Contract or Lease, or (c) from asserting, declaring, or taking any action based upon a default

in existence on the date of the Sale Order under a Contract or Lease, and (b) asserting that the Contract Party or the Successful Bidder has not provided adequate assurance of future performance as of the date of the Sale Order; (ii) shall be deemed to consent to (a) the sale of the Acquired Assets as approved by the Sale Order and (b) the assumption and assignment of the Contracts and Leases; and (iii) shall be forever barred and estopped from asserting or claiming against the Debtors or the assignee of the relevant Contract or Lease that any conditions to assumption and assignment of such Contract or Lease must be satisfied (pursuant to section 365(b)(1) of the Bankruptcy Code or otherwise).

27. To provide the Counterparties with information concerning the Successful Bidder and any Back-Up Bidder who may take assignment of their contracts or leases and enable them to object to such assignment on adequate assurance grounds (to the extent the Successful Bidder/Back-Up Bidder is not the Stalking Horse Bidder), as soon as practicable after the Auction and in no event less than 24 hours after the Auction, the Debtors shall file with the Court and serve on all Counterparties a Notice of Successful Bidder.

### **BASIS FOR RELIEF REQUESTED**

#### **I. The Relief Sought in the Bidding Procedures Order, Including Entry into the Stalking Horse Agreement, is in the Best Interests of the Debtors' Estates and Should be Approved.**

28. Section 363(b) of the Bankruptcy Code provides that “[t]he [debtor in possession], after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate . . . .” 11 U.S.C. § 363(b)(1). Although section 363 of the Bankruptcy Code does not specify a standard for determining when it is appropriate for a court to authorize the use, sale, or lease of property of a debtor’s estate, courts have approved the authorization of a sale of a



debtor's assets if such sale is based upon the sound business judgment of the debtor. *See, e.g., Meyers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citing *In re Schipper*, 933 F.2d 513 (7th Cir. 1990)); *In re Chateaugay Corp.*, 973 F.2d 141, 143 (2d Cir. 1992); *Stephen Indus., Inc. v. McClung*, 789 F.2d 386 (6th Cir. 1986); *In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983).

29. Courts typically consider the following factors in determining whether a proposed sale satisfies this standard: (a) whether a sound business justification exists for the sale, (b) whether adequate and reasonable notice of the sale was provided to interested parties, (c) whether the sale will produce a fair and reasonable price for the property, and (d) whether the parties have acted in good faith. *See In re Decora Indus., Inc.*, No. 00-4459 (JJF), U.S. Dist. LEXIS 27031, at \*8 (D. Del. May 20, 2002) (citing *In re Del. & H. R. Co.*, 124 B.R. 169, 176 (D. Del. 1991)). Where a debtor demonstrates a valid business justification for a decision, it is presumed that “in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.” *In re Integrated Resources*, 147 B.R. 650, 656 (S.D.N.Y. 1992).

30. Courts uniformly recognize that procedures established for the purpose of enhancing competitive bidding are consistent with the fundamental goal of maximizing the value of a debtor's estate. *See Calpine Corp. v. O'Brien Env'tl. Energy, Inc. (In re O'Brien Env'tl. Energy, Inc.)*, 181 F.3d 527, 537 (3d Cir. 1999) (noting that bidding procedures that promote competitive bidding provide a benefit to a debtor's estate); *In re Integrated Res. Inc.*, 147 B.R. at 659 (observing that sale procedures “encourage bidding and...maximize the value of the debtor's assets”).

31. The Debtors have carefully designed a process that they believe will maximize the value of their estates, produce maximum recoveries, and result in a successful restructuring of their estates. This process includes both entry into the Stalking Horse Agreement, to set a baseline bid

for the auction, and the Bidding Procedures, which are designed to promote active bidding from interested parties and to elicit the highest or otherwise best offers available for the Debtors' assets. The Debtors are confident that the Bidding Procedures will allow the Debtors to solicit additional offers and conduct their sale process in a controlled, fair, and open fashion that will encourage participation by financially capable bidders who will offer the best package of consideration for the assets and who can demonstrate the wherewithal to take on the assets, obligations, and liabilities being transferred. In particular, the Bidding Procedures contemplate an open auction process with minimum barriers to entry and provide potential bidding parties with sufficient time to perform due diligence and acquire the information necessary to submit a timely and well-informed bid.

32. The Debtors respectfully submit that the Stalking Horse Agreement and the Bidding Procedures will encourage robust bidding for the assets and are appropriate under, and consistent with, the relevant standards governing overbid processes in bankruptcy proceedings. Accordingly, the Debtors respectfully submit that the Stalking Horse Agreement and the Bidding Procedures should be approved.

## **II. Approval of the Expense Reimbursement and Break-Up Fee is Appropriate**

33. Approval of bid protections in connection with sales pursuant to section 363 of the Bankruptcy Code has become an established practice in chapter 11 cases. The Third Circuit has held that the administrative expense provisions of section 503(b) of the Bankruptcy Code govern the standard for approval of bid protections in the bankruptcy sale context. Accordingly, bid protections must provide an actual benefit to a debtor's estate and be necessary to preserve the value of estate assets. *See Calpine Corp. v. O'Brien Envtl. Energy, Inc. (In re O'Brien Envtl. Energy, Inc.)*, 181 F.3d 527, 533–35 (3d Cir. 1999); *In re Reliant Energy Channelview L.P.*, 594 F.3d 200, 208–09 (3d Cir. 2010) (holding that the business judgment rule may not be used as an

alternative to the administrative expenses section of the Bankruptcy Code as a basis for approving certain bid protections). Whether a proposed break-up fee benefits the estate depends on the “totality of the circumstances” and ultimately requires “a judgment call about whether the proposed fee’s potential benefits to the estate outweigh any potential harms.” *In re Energy Future Holdings Corp.*, 904 F.3d 298, 314 (3d Cir. 2018).

34. The Third Circuit has identified several instances in which bid protections in the form of a break-up fee or expense reimbursement may be necessary to preserve the value of estate assets. First, a break-up fee or expense reimbursement may be necessary to preserve the value of a debtor’s estate if assurance of the fee “promote[s] more competitive bidding, such as by inducing a bid that otherwise would not have been made and without which bidding would have been limited.” *In re O’Brien Env’t Energy, Inc.*, 181 F.3d at 537. Second, “if the availability of breakup fees and expenses were to induce a bidder to research the value of the debtor and convert the value to a dollar figure on which other bidders can rely, the bidder may have provided a benefit to the estate by increasing the likelihood that the price at which the debtor is sold will reflect its true worth.” *Id.* Third, such bid protections could preserve an estate’s value by “assuring that a bidder ‘adhered to its bid rather than abandoning its attempt to purchase . . . in the event that the Bankruptcy Court required an auction for [the] sale’ of the relevant asset.” *In re Energy Future Holdings Corp.*, 904 F.3d at 314 (quoting *In re Reliant Energy Channel View L.P.*, 594 F.3d at 207).

35. Here, the Expense Reimbursement and Break-Up Fee satisfy these factors. As for the first factor, the Debtors only offered the Expense Reimbursement and Break-Up Fee to the extent that they believe, in the exercise of their business judgment and consistent with their fiduciary duties, that offering these protections would enhance and incentivize bidding. The

Expense Reimbursement and Break-Up Fee have enabled the Debtors to secure an adequate floor for the Assets and ensure that competing bids be materially higher or otherwise better than the Stalking Horse Bid, benefiting the Debtors' estates and stakeholders. Moreover, the Stalking Horse Bidder would not agree to hold out its bid and act as a stalking horse without Court approval of the Expense Reimbursement and Break-Up Fee; thus, the Debtors could risk losing out on the opportunity to obtain the highest or otherwise best offer for the Assets and would certainly lose out on the downside protection that the Stalking Horse Bid provides.

36. Moreover, the Stalking Horse Agreement, Expense Reimbursement, and Break-Up Fee are customary and usual under the circumstances and were negotiated at arm's length. The Expense Reimbursement and Break-Up Fee make up only a small percentage of the price for the Assets that the Stalking Horse Bidder has offered. The Break-Up Fee, for instance, represents only 3% of the consideration offered by the Stalking Horse Bidder. In sum, the Debtors' ability to offer the Expense Reimbursement and Break-Up Fee enables them to ensure the sale of the Assets at a price they believe to be fair, while, at the same time, providing them with the potential to achieve an even greater benefit to the Debtors' estates in the form of a higher or otherwise better offer for the Assets.

37. This Court has approved protections similar to the Expense Reimbursement and Break-Up Fee proposed here as reasonable. *See, e.g., In re FTX Trading Ltd.*, No. 22-11068 (JTD) (Bankr. D. Del. Jan. 12, 2023) [D.I. 487] (approving a break-up fee of up to 3.0% of the purchase price and expense reimbursement of up to 0.5% of the stalking horse bid, not to exceed \$1.25 million); *In re Armstrong Flooring, Inc.*, No. 22-10426 (MFW) (Bankr. D. Del. May 31, 2022) [D.I. 233] (authorizing debtors to grant break-up fee and expense reimbursement amount in the aggregate not to exceed 3.0% of the cash portion of the purchase price); *In re Ector Cnty. Energy*

*Ctr., LLC*, No. 22-10320 (JTD) (Bankr. D. Del. May 6, 2022) [D.I. 136] (approving break-up fee of 3.0% of the stalking horse bid plus expense reimbursements of up to 0.5% of the stalking horse bid); *In re Valeritas Holdings, Inc.*, No. 20-10290 (JKS) (Bankr. D. Del. Mar. 6, 2020) [D.I. 129] (approving a break-up fee of up to 3.0% of the purchase price and expense reimbursement of up to \$1 million); *In re Celadon Grp., Inc.*, No. 19-12606 (KBO) (Bankr. D. Del. Jan. 6, 2020) [D.I. 218] (authorizing the debtors to grant a break-up fee of up to 3.0% of the purchase price and an expense reimbursement of up to 1.5% of the purchase price). Accordingly, the Debtors submit that the Expense Reimbursement and Break-Up Fee will be necessary to preserve the value of the estate, are fair and appropriate under the circumstances, and therefore should be approved.

### **III. The Designation Procedures Should Be Approved.**

38. In connection with the assumption and assignment of certain Assigned Contracts, the Debtors believe it is necessary to establish a process by which (a) the Debtors and counterparties to Assigned Contracts can reconcile cure obligations, if any, in accordance with section 365 of the Bankruptcy Code and (b) such counterparties can object to the assumption and assignment of the Assigned Contracts and/or related cure amounts.

39. The Debtors also request that any party that fails to object to the proposed assumption and assignment of any Assigned Contract be deemed to consent to (a) the assumption and assignment of the applicable Assigned Contract pursuant to section 365 of the Bankruptcy Code and (b) assignment notwithstanding any anti-alienation provision or other restriction on assignment. *See, e.g., Hargrave v. Township of Pemberton (In re Tabone, Inc.)*, 175 B.R. 855, 858 (Bankr. D.N.J. 1994) (by not objecting to sale motion, creditor deemed to consent); *In re Gabel*, 61 B.R. 661, 667 (Bankr. W.D. La. 1985) (same).

40. The Debtors believe that the Designation Procedures are fair and reasonable, provide sufficient notice to parties to the executory contracts, and provide certainty to all parties in interest regarding their obligations and rights in respect thereof. Accordingly, the Debtors request the Court approve the Designation Procedures set forth in the Bidding Procedures Order.

**IV. The Form and Manner of the Sale Notice and Notice of Successful Bidder Should Be Approved.**

41. The Sale Notice, which includes information concerning the “free and clear” nature of the Sale, the Bidding Procedures, the Stalking Horse Bid, and other material information, constitutes good and adequate notice of the Auction and the proceedings with respect thereto in compliance with, and satisfaction of, the applicable requirements of Bankruptcy Rule 2002 and Local Rule 6004-1. The Debtors filed contemporaneously herewith a Motion to Shorten the notice period for the hearing on this Motion. Accordingly, no further notice is necessary and the Debtors request that this Court approve the form and manner of the notice of the Sale Notice.

42. In addition, to provide the Counterparties with information concerning the successful bidder and any Back-Up bidder who may take assignment of their contracts or leases and enable them to object to such assignment on adequate assurance grounds (to the extent the successful bidder/Back-Up bidder is not the Stalking Horse Bidder), as soon as practicable after the Auction and in no event later than 24 hours after the Auction, the Debtors shall file with the Court and serve on all Counterparties the Notice of Successful Bidder. The Debtors submit that such service of the Notice of Successful Bidder is proper and sufficient to timely and proper notice with the Sale. Accordingly, the Debtors request that this Court approve the manner of notice of the Notice of Successful Bidder.

**V. Approval of the Sale is Appropriate and In the Best Interest of the Debtors' Estate.**

**A. The Sale Should Be Approved as an Exercise of the Debtors' Sound Business Judgment.**

43. Bankruptcy Code section 363(b) provides that a debtor may sell property of the estate outside the ordinary course of business after notice and a hearing. Although Bankruptcy Code section 363 does not specify a standard for determining when it is appropriate for a court to authorize the use, sale or lease of property of the estate, courts have found that a debtor's sale or use of its assets outside the ordinary course of business should be approved if the debtor can demonstrate "some articulated business justification." *See In re Martin*, 91 F.3d at 395; *In re Del. & H. R. Co.*, 124 B.R. at 169); *In re Abbotts Dairies*, 788 F.2d 143 (3rd Cir. 1986); *In re Lionel Corp.*, 722 F.2d at 1070.

44. Once the Debtors articulate a valid business justification, "[t]he business judgment rule 'is a presumption that in making the business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.'" *In re S.N.A. Nut Co.*, 186 B.R. 98 (Bankr. N.D. Ill. 1995); *see also In re Integrated Res., Inc.*, 147 B.R. at 656; *Committee of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) ("a presumption of reasonableness attaches to a Debtor's management decisions").

45. The Debtors have a sound business justification for the sale of their assets. The Stalking Horse Bid provides a lifeline to the Debtors' business, by providing significant value and ensuring the continuation of the Debtors' operations and employment of the Debtors' employees. Moreover, the Stalking Horse Bid will be subject to the Auction and Bidding Procedures set forth herein, and the competitive bidding process will ensure that the Debtors obtain the best possible value for their assets. As such, the sale of the Debtors' Assets is a valid and sound exercise of the Debtors' business judgment.

**B. Adequate and Reasonable Notice of the Sale Will Be Provided.**

46. As set forth above, the Sale Notice (a) provides the date, time and location of the Sale Hearing, (b) informs interested parties of the deadlines for objecting to the Sale, and (c) otherwise includes all information relevant to parties interested in or affected by the Sale. Significantly, the form and manner of the Sale Notice will have been approved by this Court pursuant to the Bidding Procedures Order, after notice and a hearing, before it is served on parties in interest, and, as such, the Debtors are confident that the Sale Notice will be properly vetted by the time of service thereof.

**C. The Sale Has Been Proposed in Good Faith and Without Collusion, and the Successful Bidder Will Be a “Good Faith Buyer”.**

47. Pursuant to Bankruptcy Code section 363(m), a good-faith purchaser is one who purchases assets for value, in good faith, and without notice of adverse claims. *In re Abbotts Dairies of Penn., Inc.*, 788 F.2d at 147 (to constitute lack of good faith, a party’s conduct in connection with the sale must usually amount to fraud, collusion between the purchaser and other bidders or the trustee or an attempt to take grossly unfair advantage of other bidders); *see also In re Bedford Springs Hotel, Inc.*, 99 B.R. 302, 305 (Bankr. W.D. Pa. 1989); *In re Perona Bros., Inc.*, 186 B.R. 833, 839 (D.N.J. 1995) (to constitute lack of good faith, a party’s conduct in connection with the sale must usually amount to fraud, collusion between the buyer and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders).

48. In other words, a party would have to show fraud or collusion between the successful bidder and the debtor-in-possession or trustee or other bidders in order to demonstrate a lack of good faith. *See Pursuit Capital Mgmt. Fund I, L.P. v. Burtch (In re Pursuit Capital Mgmt., LLC), LLC*, 874 F.3d 124, 135 (3d Cir. 2017) (“The good faith requirement speaks to the integrity of [the purchaser’s] conduct in the course of the sale proceedings. Typically, the misconduct that would destroy a purchaser’s good faith status at a judicial sale involves fraud, collusion between the



purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.”); *In re Dura Auto. Sys., Inc.*, No. 06-11202 KJC, 2007 WL 7728109, at \*96 (Bankr. D. Del. Aug. 15, 2007) (same).

49. The Debtors submit that the successful bidder arising from the Auction (if any), will be a “good faith” purchaser within the meaning of Bankruptcy Code section 363(m) and the terms of any purchase agreement with any successful bidder will be negotiated at arms-length and in good faith without any collusion or fraud.<sup>8</sup> Accordingly, the Debtors will be prepared to show at the hearing to approve any such sale that the successful bidder is entitled to the full protections of Bankruptcy Code section 363(m).

**D. The Sale Should Be Approved “Free and Clear” Under Bankruptcy Code Section 363(f).**

50. Bankruptcy Code section 363(f) permits the Debtors to sell assets free and clear of all liens, claims, interests, charges and encumbrances (with any such liens, claims, interests, charges, and encumbrances attaching to the net proceeds of the sale with the same rights and priorities therein as in the sold assets). As Bankruptcy Code section 363(f) is stated in the disjunctive, when proceeding pursuant to section 363(f), it is only necessary to meet one of the five conditions of section 363(f). *See In re Kellstrom Indus.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“Section 363(f) is written in the disjunctive, not the conjunctive, and if any of the five

<sup>8</sup> Bankruptcy Code section 363(m) provides that:

[t]he reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

*See* 11 U.S.C. § 363(m).

conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.”); *In re Elliot*, 94 B.R. 343, 345 (E.D. Pa. 1988) (same). The Debtors believe that they will be able to demonstrate at the Sale Hearing that they have satisfied one or more of these conditions.

#### **E. Assumption and Assignment of Assigned Contracts Should Be Approved .**

51. Section 365(a) of the Bankruptcy Code provides that a debtor in possession “subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.” 11 U.S.C. § 365(a). Courts employ the business judgment standard in determining whether to approve a debtor’s decision to assume or reject an executory contract or unexpired lease. *See, e.g., In re Market Square Inn, Inc.*, 978 F.2d 116, 121 (3d Cir. 1992) (assumption or rejection of lease “will be a matter of business judgment by the bankruptcy court”); *In re HQ Global Holdings, Inc.*, 290 B.R. 507, 511 (Bankr. D. Del. 2003) (finding that a debtor’s decision to assume or reject executory contract is governed by business judgment standard and may only be overturned if decision is product of bad faith, whim, or caprice). The “business judgment” test in this context only requires that a debtor demonstrate that assumption or rejection of an executory contract or unexpired lease benefits the estate. *See Sharon Steel Corp. v. Nat’l Fuel Gas Distrib. Corp.*, 872 F.2d 36, 40 (3d Cir. 1989).

52. The Court should approve the decision to assume and assign the executory contracts and unexpired leases in connection with the Sale as a sound exercise of the Debtors’ business judgment, consistent with the well-settled standard in this district governing same. The potential Assigned Contracts include those executory contracts and unexpired leases that are necessary to run the Debtors’ business. It is unlikely that any purchaser would want to acquire the Debtors’ assets on a going-concern basis unless a significant number of the Assigned Contracts needed to

conduct the business and manage the day-to-day operations were included in the transaction. As such, making the potential Assigned Contracts available for assignment is essential to inducing the best offer for the Assets.

53. Accordingly, the Debtors submit that the assumption and assignment of the Assigned Contracts by way of the Designation Procedures should be approved as an exercise of their business judgment.

54. Upon finding that a debtor has exercised its business judgment in determining that assuming an executory contract or unexpired lease is in the best interest of its estate, courts must then evaluate whether the assumption meets the requirements of section 365(b) of the Bankruptcy Code that a debtor (a) cure, or provide adequate assurance of prompt cure of, prepetition defaults in the executory contract, (b) compensate parties for pecuniary losses arising therefrom, and (c) provide adequate assurance of future performance thereunder. 11 U.S.C. § 365. This section “attempts to strike a balance between two sometimes competing interests, the right of the contracting nondebtor to get the performance it bargained for and the right of the debtor’s creditors to get the benefit of the debtor’s bargain.” *In re Luce Indus., Inc.*, 8 B.R. 100, 107 (Bankr. S.D.N.Y. 1980).

55. The Debtors submit that the statutory requirements of section 365(b)(1)(A) of the Bankruptcy Code will be promptly satisfied. The proposed Designation Procedures set forth in the Bidding Procedures Order provide a clear process by which the Debtors will provide notice of the potential assumption and assignment of executory contracts and unexpired leases and the procedures for resolving any objections thereto. The Designation Procedures afford counterparties a meaningful opportunity to challenge the Debtors’ proposed cure amounts and assumption and assignment of any executory contract or unexpired lease. Thus, the Bidding Procedures and Designation Procedures

ensure that all defaults will be cured in connection with the assignment of the Assigned Contracts, as required by section 365(b)(1)(A).

56. Similarly, the Debtors submit that counterparties will receive adequate assurance of future performance under the Assigned Contracts, as required by section 365(b)(1)(C) of the Bankruptcy Code. “The phrase ‘adequate assurance of future performance’ adopted from section 2-609(1) of the Uniform Commercial Code, is to be given a practical, pragmatic construction based upon the facts and circumstances of each case.” *In re U.L. Radio Corp.*, 19 B.R. 537, 542 (Bankr. S.D.N.Y. 1982). Although no single solution will satisfy every case, the required assurance will fall short of an absolute guarantee of performance. Among other things, adequate assurance may be given by demonstrating the assignee’s financial health and experience in managing the type of enterprise or property assigned. *Luce Indus.*, 8 B.R. at 107; *see Androse Assocs. of Allaire, LLC v. A&P (In re A&P)*, 472 B.R. 666, 674 (S.D.N.Y. 2012) (“A debtor need not provide ‘an absolute guarantee of performance.’”). The Debtors believe that they will demonstrate that the requirements for assumption and assignment of certain Assigned Contracts to the Stalking Horse Bidder (or other successful bidder) will be satisfied. As required by the Bidding Procedures, the Debtors will evaluate the financial wherewithal of potential bidders before designating such party a Qualified Bidder (*e.g.*, financial credibility, willingness and ability of the interested party to perform under the Assigned Contracts). Further, all counterparties will be provided with notice of the proposed assumption and assignment and will have adequate time and opportunity to object to the assumption or proposed cure amount or otherwise be heard with respect thereto.

**WAIVER OF BANKRUPTCY RULE 6004(a) AND 6004(h)**

57. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

**NOTICE**

58. 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.

**NO PRIOR REQUEST**

59. No prior request for the relief sought in this Motion has been made to this or any other court.

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter the Bidding Procedures Order, granting the relief requested in this Motion and such other relief as may be just and proper.

Dated: April 11, 2025  
Wilmington, Delaware

**WHITEFORD, TAYLOR & PRESTON LLC<sup>9</sup>**

/s/ William F. Taylor, Jr.

William F. Taylor, Jr. (DE No. 2936)  
600 North King Street, Suite 300  
Wilmington, DE 19801  
Telephone: (302) 353-4144  
Email: wtaylor@whitefordlaw.com

**WHITEFORD, TAYLOR & PRESTON LLP**

David W. Gaffey (admitted *pro hac vice*)  
Brandy M. Rapp (admitted *pro hac vice*)  
J. Daniel Vorsteg (admitted *pro hac vice*)  
Joshua D. Stiff (admitted *pro hac vice*)  
Alexandra G. DeSimone (admitted *pro hac vice*)  
3190 Fairview Park Drive, Suite 800  
Falls Church, VA 22042-4510  
Telephone: (703) 280-9860  
Email: dgaffey@whitefordlaw.com  
brapp@whitefordlaw.com  
jdvorsteg@whitefordlaw.com  
jstiff@whitefordlaw.com  
adesimone@whitefordlaw.com

*Proposed Counsel to the Debtors and Debtors in Possession*

<sup>9</sup> Whiteford, Taylor & Preston LLP operates as Whiteford, Taylor & Preston LLC in Delaware.

**EXHIBIT A**

**Proposed Order**

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

In re:

CTN HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

**Re: Docket No. \_\_\_\_**

**ORDER PURSUANT TO SECTIONS 105, 363, 364, 365 AND 541 OF THE  
BANKRUPTCY CODE, BANKRUPTCY RULES 2002, 6004, 6006 AND 9007 AND  
DEL. BANKR. L.R. 2002-1 AND 6004-1 (A) APPROVING BIDDING PROCEDURES  
FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS; (B)  
APPROVING THE DEBTORS' ENTRY INTO STALKING HORSE AGREEMENT AND  
RELATED EXPENSE REIMBURSEMENT AND BREAK-UP FEE; (C) APPROVING  
PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF DESIGNATED  
EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (D) SCHEDULING AN  
AUCTION AND SALE HEARING; (E) APPROVING FORMS AND MANNER OF  
NOTICE OF RESPECTIVE DATES, TIMES, AND PLACES IN CONNECTION  
THEREWITH; AND (F) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")<sup>2</sup> of the debtors and debtors in possession (the "Debtors") in the above-captioned jointly administered chapter 11 cases, for entry of an order, pursuant to sections 105(a), 363, 365, 503 and 507 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 6004-1 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), (i) authorizing and approving certain proposed bid procedures (as attached hereto as **Exhibit 1**, the "Bidding Procedures")

---

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Bidding Procedures, as applicable.



governing the submission of competing proposals to purchase the Acquired Assets pursuant to section 363 of the Bankruptcy Code, authorizing and approving the Debtors' entry into (but not consummation of) the Asset Purchase Agreement (substantially in the form attached to the Motion as **Exhibit B** and, together with all exhibits and schedules thereto, the "Stalking Horse Agreement"), by and among the Debtors and Inherent Aspiration, LLC (the "Stalking Horse Bidder"), pursuant to which the Debtors have agreed to sell the Acquired Assets to the Stalking Horse Bidder, subject to the terms and conditions contained in the Stalking Horse Agreement, (iii) approving the form and manner of notice of the sale of the Acquired Assets (the "Sale Notice"), (iv) scheduling a hearing for approval of the sale of the Acquired Assets (the "Sale Hearing") and setting other related dates and deadlines and (v) approving procedures for the assumption and assignment of the Debtors' executory contracts (the "Contracts") and unexpired leases (the "Leases") and the form of and manner of notice of proposed cure amounts; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and all other parties in interest; and after due deliberation, and good and sufficient cause appearing therefor,

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. This Court has jurisdiction to consider the Motion in accordance with 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 as of February 29, 2012.

B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States Constitution. Venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. The statutory and legal predicates for the relief requested in the Motion and provided for herein are sections 105(a), 363, 365, 503 and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004 and 6006, and Local Rule 6004-1.

D. Good and sufficient notice of the relief granted by this Order has been given and no further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties entitled to notice pursuant to Local Rule 2002-1(b) and all other interested parties.

E. The Debtors have articulated good and sufficient reasons for the Court to approve the Bidding Procedures. Such good and sufficient reasons were set forth in the Motion, are incorporated by reference herein, and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

F. The Bidding Procedures are fair, reasonable and appropriate and are designed to maximize the value to be received by the Debtors' estates and creditors. The Bidding Procedures and all such steps and expenses incurred by the Debtors in connection with the implementation of the Bidding Procedures and this Order shall be deemed reasonable and appropriate and within the sound business judgment of the Debtors pursuant to section 363(b) of the Bankruptcy Code.

G. The Stalking Horse Agreement was entered into in good faith by the Debtors and the Stalking Horse Bidder, and is the result of a good faith, arms-length negotiation between the parties that are each represented by sophisticated legal counsel.

H. The Debtors have demonstrated compelling and sound business justifications for entering into the Stalking Horse Agreement and incurring the administrative

obligations arising thereunder or in connection therewith, and the timing and procedures set forth therein.

I. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is reasonably calculated to provide all interested parties with timely and proper notice of the proposed sale, including: (i) the date, time and place of the Auction (if one is held), (ii) the Bidding Procedures and certain dates and deadlines related thereto, (iii) the objection deadline for the sale motion and the date, time and place of the Sale Hearing, (iv) instructions for promptly obtaining a copy of the Stalking Horse Agreement, (v) representations describing the proposed sale as being free and clear of liens, claims, interests and other encumbrances, with all such liens, claims, interests and other encumbrances attaching with the same validity and priority to the sale proceeds, and (vi) notice of the proposed assumption and assignment of Contracts and Leases to either an affiliate of the Stalking Horse Bidder or an affiliate of any designee of the Stalking Horse Bidder (such party, the “Contract Party”) pursuant to the Stalking Horse Agreement (or to another Successful Bidder selected at the Auction, if any) and the procedures and deadlines for objecting thereto. No other or further notice of the proposed Sale shall be required.

J. The Cure Notice attached hereto as **Exhibit 2** is reasonably calculated to provide all non-Debtor counterparties to the Debtors’ Contracts and Leases with proper notice of the potential assumption and assignment of their Contract or Lease, the proposed cure amounts relating thereto and the related assumption and assignment procedures; provided that the mere listing of any Contract or Lease on the Cure Notice does not require or guarantee that such Contract or Lease will be assumed and assigned, and all rights of the Debtors with respect to such Contracts and Leases are reserved.

K. The Bidding Procedures comply with the requirements of Local Rule 6004-1.

L. Entry of this Order is in the best interests of the Debtors' estates, their creditors and all other interested parties.

M. To the extent payable under this Order and in accordance with the Stalking Horse Agreement, the Expense Reimbursement and Break-Up Fee : (i)(a) are actual and necessary costs of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (b) shall be treated as an allowed superpriority administrative claim status in the Chapter 11 Cases pursuant to section 507(b) of the Bankruptcy Code, subject in all respects to the Carve-Out (as defined in the DIP Orders); (ii) are commensurate to the real and material benefits conferred upon the Debtors' estates by the Stalking Horse Bidder; (iii) are reasonably tailored to encourage, rather than chill, bidding for the Assets, by providing a baseline of value, increasing the likelihood of competitive bidding at the Auction, and facilitating participation of other bidders in the sale process, thereby increasing the likelihood that the Debtors will receive the best possible price and terms for the Assets; (iv) are a material inducement for, and condition necessary to, ensure that the Stalking Horse Bidder will continue to pursue the transaction contemplated by the Stalking Horse Agreement; and (v) are reasonable in relation to the Stalking Horse Bidder's efforts and to the magnitude of the proposed transaction and the Stalking Horse Bidder's lost opportunities resulting from the time spent pursuing such transaction. Unless it is assured that the Expense Reimbursement and Break-Up Fee are available, the Stalking Horse Bidder is unwilling to remain obligated to consummate the transaction or otherwise be bound by the Stalking Horse Agreement.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Motion is hereby **GRANTED** as set forth herein.
2. All objections filed, if any, in response to the Motion or the relief requested therein that have not been withdrawn, waived, settled, or specifically addressed in this Order, and all reservations of rights included in such objections, are specifically overruled in all respects on the merits.

**The Bidding Procedures**

3. The Bidding Procedures attached hereto as **Exhibit 1** are approved, and the Debtors are authorized to take any and all actions necessary or appropriate to implement the Bidding Procedures. To the extent of any conflict between the Bidding Procedures and this Order, the Bidding Procedures shall govern.

4. The Bidding Procedures shall govern the submission, receipt and analysis of all Bids, and any party desiring to submit a higher acceptable offer shall do so strictly in accordance with the terms of this Order and the Bidding Procedures.

5. The following dates and deadlines regarding competitive bidding are hereby established (subject to modification in accordance with the Bidding Procedures):

- a. **Bid Deadline: May 13, 2025 at 4:00 p.m. (Prevailing Eastern Time)** is the deadline by which all Qualified Bids must be actually received by the parties specified in the Bidding Procedures (the “**Bid Deadline”).**
- b. **Auction: May 15, 2025 at 10:00 a.m. (Prevailing Eastern Time)** is the date and time of the Auction, if one is needed, which will be held at the offices of proposed counsel to the Debtors, Whiteford, Taylor & Preston, LLC, 600 North King Street, Suite 300, Wilmington, DE 19801,

telephonically or by video or Zoom; *provided, however*, that the Debtors, in their discretion and in consultation with the Consultation Parties, shall have the right to hold the Auction at another place or virtually, with instructions for Qualified Bidders to participate to be provided prior to the Auction, with notice to all Qualified Bidders and any other invitees.

6. Only a Qualified Bidder that has submitted a Qualified Bid by the Bid Deadline will be eligible to participate at the Auction. As described in the Bidding Procedures, if the Debtors do not receive any Qualified Bids other than from the Stalking Horse Bidder, the Debtors may cancel the Auction, name the Stalking Horse Bidder as the Successful Bidder, and seek final approval at the Sale Hearing of the sale of the Acquired Assets to the Stalking Horse Bidder, in accordance with the terms of the Stalking Horse Agreement.

7. If the Auction is conducted, (i) each Qualified Bidder participating in the Auction shall be required to confirm that it has not engaged in any collusion with respect to the bidding process or the sale, (ii) each Qualified Bidder participating in the Auction shall be required to confirm that its Qualified Bid is a good faith, bona fide offer and it intends to consummate the proposed transaction if selected as the Successful Bidder and (iii) the Auction shall be conducted openly and shall be transcribed or videotaped.

**Approval of Debtors' Entry into the Stalking Horse Agreement**

8. The Debtors are hereby authorized to designate Inherent Aspiration, LLC, together with any designated affiliate thereof, as the Stalking Horse Bidder.

9. The Debtors are authorized, pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, to enter into and perform under the Stalking Horse Agreement, subject to the solicitation of higher or otherwise better offers for the Acquired Assets (as defined in the Stalking

Horse Agreement) and entry of the Sale Order. Subject to entry of the Sale Order, the Stalking Horse Agreement shall be binding and enforceable on the Debtors' estates, the Stalking Horse Bidder and any other parties thereto in accordance with and subject to its terms, including as they relate to the Bidding Procedures and related termination provisions.

10. The Stalking Horse Agreement is authorized and approved in the form attached to the Motion as **Exhibit B** as the stalking horse bid for the Acquired Assets (the "Stalking Horse Bid").

11. The Stalking Horse Bidder shall be deemed a Qualified Bidder, and the Stalking Horse Bid shall be deemed a Qualified Bid, for all purposes under the Bidding Procedures Order and Bidding Procedures.

12. Subject to the DIP Orders, the Prepetition Collateral Agent, in its capacity as such under the Prepetition Secured Note Documents, and the DIP Agent, in its capacity as such under the DIP Facility, shall be permitted to credit bid all or a portion of the Prepetition Secured Note Obligations and/or the DIP Obligations then outstanding, respectively, or any part thereof.

13. The failure to describe specifically or include any provision of the Stalking Horse Agreement or related documents in the Motion or herein shall not diminish or impair the effectiveness of such provision as to such parties. The Stalking Horse Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, solely in accordance with the terms thereof, without further order of the Court.

14. The Expense Reimbursement and Break-Up Fee are approved in their entirety and (i) shall, to the extent payable under the terms of the Stalking Horse Agreement, be treated as allowed superpriority administrative claim status in the Chapter 11 Cases pursuant to section 507(b) of the Bankruptcy Code, subject in all respects to the Carve-Out (as defined in the

DIP Orders); (ii) shall not be subject to any bar date in these Chapter 11 Cases or any requirement to file any request for allowance of an administrative expense claim or proof of claim; (iii) shall be payable in accordance with the terms of and subject to the conditions set forth in the Stalking Horse Agreement and (iv) shall survive the termination of the Stalking Horse Agreement and dismissal or conversion of these Chapter 11 Cases pursuant to the terms in the Stalking Horse Agreement.

15. Subject to the Bidding Procedures and entry of the Sale Order, the Debtors and Stalking Horse Bidder are granted all rights and remedies provided to them under the Stalking Horse Agreement, including, without limitation, the right to specifically enforce the Stalking Horse Agreement (including with respect to the Expense Reimbursement and Break-Up Fee and the Deposit) in accordance with its terms.

16. The Debtors are authorized to perform all of their respective pre-closing obligations under the Stalking Horse Agreement, and such obligations shall be binding upon the Debtors; provided that, for the avoidance of doubt, consummation of the transactions contemplated by the Stalking Horse Agreement shall be subject to entry of an order approving the sale of the Acquired Assets (the “Sale Order”) and the satisfaction or waiver of the other conditions to closing on the terms set forth in the Stalking Horse Agreement.

17. This Order, and the claims granted hereunder in favor of the Stalking Horse Bidder on account of the Expense Reimbursement and Break-Up Fee , shall be binding upon the Debtors’ estates, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the Debtors’ estates.

18. The automatic stay pursuant to section 362 of the Bankruptcy Code is hereby modified with respect to the Debtors to the extent necessary, without further order of the



Court, to allow the Stalking Horse Bidder to (i) deliver any notice provided for in the Stalking Horse Agreement, including, without limitation, a notice terminating the Stalking Horse Agreement in accordance with the terms thereof and (ii) take any actions permitted under the Stalking Horse Agreement to terminate the Stalking Horse Agreement, solely to the extent permitted by the Stalking Horse Agreement, and assert any claims with respect to the Expense Reimbursement and Break-Up Fee . All rights of the Debtors' and their estates with respect to the foregoing shall be preserved.

### **Hearing and Objection Deadline**

19. The Sale Hearing shall take place in this Court on **May \_\_\_\_\_, 2025 at \_\_\_\_:00 \_\_m. (Prevailing Eastern Time)**; *provided* that the Sale Hearing may be adjourned without further notice other than announcement in open Court or by the filing of a notice on the docket of these Cases or a notice of agenda. Any obligations of the Debtors set forth in the Stalking Horse Agreement that are intended to be performed prior to the Sale Hearing and/or entry of the Sale Order pursuant to the Stalking Horse Agreement are authorized as set forth herein and are fully enforceable as of the date of entry of this Order.

20. The deadline to file objections, if any, to the transactions contemplated by the Stalking Horse Agreement or to entry of the Sale Order is **May 9, 2025 at 4:00 p.m. (Prevailing Eastern Time)** (the "Sale Objection Deadline"). Objections, if any, **must**: (i) be in writing, (ii) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules and any orders of the Court, (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor, and (iv) be filed with the Court and served so as to be **actually received** no later than the Sale Objection Deadline, as applicable, by the following parties (the "Notice Parties"): (a) Debtors, c/o CTN Holdings, Inc., 548 Market Street, PMB 72015, San

Francisco, CA 64101-5401, Attn: Statton Hammock, and c/o CTN Holdings, Inc., 13355 Noel Road, Suite 2005, Dallas, Texas 75240, Attn: Miles Staglik; (b) proposed counsel to the Debtors, Whiteford, Taylor & Preston LLP., 3190 Fairview Park Drive, Suite 800, Falls Church, VA 22042-4510, Attn: David W. Gaffey (dgaffey@whitefordlaw.com), Brandy M. Rapp (brapp@whitefordlaw.com); (c) counsel to the Stalking Horse Bidder, Proskauer Rose LLP, Eleven Times Square, New York, NY 10036-8299, Attn: Vincent Indelicato (vindelicato@proskauer.com) and One International Place, Boston, MA 02110, Attn: Charles A. Dale (cdale@proskauer.com), and Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market St, 16<sup>th</sup> Floor, Wilmington, DE 19801, Attn: Robert J. Dehney, Sr. (rdehney@morrisnichols.com), Matthew B. Harvey (mharvey@morrisnichols.com), Brenna A. Dolphin (bdolphin@morrisnichols.com); (d) the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), 844 King Street, Room 2207, Wilmington, Delaware 19801, Attn: Rosa Sierra-Fox (Rosa.Sierra-Fox@usdoj.gov); and (e) counsel to any official committee of unsecured creditors appointed in the cases (the “Committee”). No party may object to the right of the DIP Lender or the Prepetition Secured Parties to credit bid any of their respective secured claims under applicable law.

### **Sale Notice and Related Relief**

21. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is hereby approved. As soon as is reasonably practicable following entry of this Bidding Procedures Order, the Debtors will cause the Bidding Procedures, Sale Notice and Assumption Notice to be served upon the following, and their respective counsel, if known: (a) the U.S. Trustee; (b) counsel to the Stalking Horse Bidder, (c) counsel of any official committee appointed in the Debtors’ cases; (d) the United States Attorney’s Office for the District of Delaware; (e) the Internal Revenue

Service; (f) the attorneys general for the states in which the Debtors operate; (g) all parties asserting a security interest in the Acquired Assets to the extent any such interest is reasonably known to the Debtors; (h) applicable federal, state, county and city tax and regulatory authorities; (i) all entities known to have expressed a written interest in a transaction with respect to the Acquired Assets or that have been identified by the Debtors or their advisors as a potential purchaser of the Acquired Assets; (j) local, state and federal authorities and agencies that have issued licenses or permits to the Debtors with respect to the operation and use of the Acquired Assets; (k) each counterparty to the Debtors' Contracts and Leases; and (l) all parties entitled to notice pursuant to Bankruptcy Rule 2002. In addition, as soon as practicable, after entry of this Order, the Debtors shall publish the Sale Notice, with any modification necessary for ease of publication, once in *The New York Times National Edition* to provide notice to any other potential interested parties.

### **Designation and Assumption Procedures**

22. The procedures set forth below regarding the proposed assumption and assignment of certain Contracts and Leases that may be designated to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Contract Party (or the Successful Bidder selected at the Auction, if any) pursuant to section 365(f) of the Bankruptcy Code (as defined in the Stalking Horse Agreement, collectively, the “Assigned Contracts and Leases”) in connection with the sale of the Acquired Assets are hereby approved (the “Designation Procedures”).

23. These Designation Procedures, as may be modified or supplemented by the Sale Order, shall govern the assumption and assignment of all Assigned Contracts and Leases:

- a. **Cure Notice.** The Debtors shall file with the Court on or prior to May 2, 2025, a notice of the proposed assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale, substantially in the form attached as **Exhibit 2** to the Bidding Procedures

Order (the “Cure Notice”). The Debtors will serve the Cure Notice via first class mail on all non-Debtor counterparties to Contracts and Leases, and their respective known counsel, and provide a copy of same to the Contract Party and the Stalking Horse Bidder. The Cure Notice informs each recipient that its respective Contract or Lease may be designated by the Contract Party (as defined below) as assumed and the timing and procedures relating to such designation, and, to the extent practicable (i) the title of the Contract or Lease, (ii) the name of the counterparty to the Contract or Lease, (iii) the Debtors’ good faith estimates of the cure amounts required in connection with such Contract or Lease (the “Cure Amount”), (iv) the identity of the Contract Party and (v) the deadline by which any such Contract or Lease counterparty may file an objection to the proposed assumption and assignment and/or cure amount, and the procedures relating thereto; provided, however, that service of a Cure Notice does not constitute an admission that such Contract or Lease is an executory contract or unexpired lease. If the Debtors identify additional Contracts or Leases that might be assumed by the Debtors and assigned to the Contract Party, the Debtors will promptly send a supplemental Cure Notice to the applicable counterparties to such Contract or Lease.

- b. **Adequate Assurance.** The Debtors shall serve by overnight mail (or by electronic mail, if available) on or prior to May 2, 2025, the evidence of adequate assurance of future performance under the Contracts and Leases provided in connection with the Stalking Horse Bidder, including the legal name of the proposed assignee, the proposed use of any leased premises, general information about the proposed assignee’s financial wherewithal and a contact person with the proposed assignee whom counterparties may contact if they wish to obtain further information regarding the proposed assignee. No later than three (3) days after the Bid Deadline, the Debtors shall serve on affected counterparties and their respective known counsel by electronic mail (if available) or overnight mail the adequate assurance information provided by each Qualified Bidder.
- c. **Objections.** Objections, if any, to the proposed assumption and assignment of any Contract or Lease or to the cure amount proposed with respect thereto must: (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules, Local Rules and any other orders of the Court, (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed cure amount, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (iv) be filed with the Court and served so as to be actually received by the Notice Parties before the Sale Objection Deadline.

Following the Debtors’ selection of the Successful Bidder and the Back-Up Bidder, if any, at the conclusion of the Auction, the Debtors shall announce the Successful Bidder and the Back-Up Bidder, if any, and shall file with the

Court a notice of the Successful Bidder and the Back-Up Bidder, if any. If and only if the Stalking Horse Bidder is not the Successful Bidder for the Acquired Assets, counterparties to the Debtors' Contracts and Leases shall have until **May 19, 2025, at 4:00 p.m. (ET)** (the "Supplemental Adequate Assurance Objection Deadline") to object to the assumption and assignment of a Contract or Lease (a "Supplemental Adequate Assurance Objection") solely on the issue of whether the Successful Bidder can provide adequate assurance of future performance as required by section 365 of the Bankruptcy Code. For the avoidance of doubt, if the Stalking Horse Bidder is the Successful Bidder, all adequate assurance objections must be filed by the Sale Objection Deadline.

- d. **Dispute Resolution.** Any objection to the proposed assumption and assignment or related cure of a Contract or Lease in connection with the proposed sale that remains unresolved as of the Sale Hearing shall be heard at the Sale Hearing or such later hearing if the objection is not resolved and the Debtors determine that an adjournment is appropriate. To the extent any such objection is resolved or determined unfavorably to the applicable Debtor, the Debtors may, subject to the terms of an agreement with the Successful Bidder, file a notice rejecting the applicable Contract or Lease after such determination.

24. Any party who fails to timely file an objection to its scheduled cure amount listed on the Cure Notice or to the assumption and assignment of a Contract or Lease (i) shall be forever barred, estopped and enjoined from objecting thereto, including (a) making any demands for additional cure amounts or monetary compensation on account of any alleged defaults for the period prior to the applicable objection deadline against the Debtors, their estates or the Contract Party or the Stalking Horse Bidder or other Successful Bidder selected at the Auction, if any, with respect to any such Contract or Lease, (b) from contesting the assumable and assignable nature of the Contract or Lease, or (c) from asserting, declaring, or taking any action based upon a default in existence on the date of the Sale Order under a Contract or Lease, and (b) asserting that the Contract Party or the Successful Bidder has not provided adequate assurance of future performance as of the date of the Sale Order; (ii) shall be deemed to consent to (a) the sale of the Acquired Assets as approved by the Sale Order and (b) the assumption and assignment of the Contracts and

Leases; and (iii) shall be forever barred and estopped from asserting or claiming against the Debtors or the assignee of the relevant Contract or Lease that any conditions to assumption and assignment of such Contract or Lease must be satisfied (pursuant to section 365(b)(1) of the Bankruptcy Code or otherwise).

25. The proposed assumption and assignment of the Assigned Contracts and Leases and the Auction shall be conducted solely in accordance with the provisions of this Order, the Bidding Procedures and the Designation Procedures, as applicable.

26. Except as otherwise provided herein and in the Bidding Procedures, Local Rule 6004-1(c)(ii) is waived.

27. Nothing in this Order shall be construed to modify the requirements and provisions of sections 365(b), 365(d)(3), 365(d)(4) or 365(f) of the Bankruptcy Code.

**Other Relief Granted**

28. The Debtors are authorized to execute and deliver all instruments and documents and take such other action as may be necessary or appropriate to implement and effectuate the transactions contemplated by this Order.

29. The requirements set forth in Local Rule 9013-1 are satisfied by the contents of the Motion.

30. The findings and conclusions set forth herein constitute the Bankruptcy Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any findings of fact constitute conclusions of law, they are adopted as such. To the extent any conclusions of law constitute findings of fact, they are adopted as such.

31. To the extent any provisions of this Order shall be inconsistent with the Motion, the terms of this Order shall control.

32. This Order shall be immediately effective and enforceable upon entry hereof.

33. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of the Order.

**EXHIBIT 1 To Bidding Procedures Order**  
**Bidding Procedures**



## BIDDING PROCEDURES

On April 11, 2025, CTN Holdings, Inc., CTN SPV Holdings, LLC, Make Earth Green Again, LLC, Aspiration QFZ, LLC, Aspiration Fund Adviser, LLC, Catona Climate Solutions, LLC, and Zero Carbon Holdings, LLC, debtors and debtors in possession (collectively, the “Sellers”) in the chapter 11 cases (the “Cases”) pending in the United States Bankruptcy Court for the District of Delaware (“Court”) and jointly administered under Case No. 25-10603 (TMH), filed a motion [D.I. [\_\_\_\_]] (the “Motion”), seeking, among other things, authorization for the Sellers to perform their obligations under that certain Asset Purchase Agreement (together with all exhibits thereto, the “Stalking Horse Agreement”)<sup>3</sup> entered into by and among the Sellers, Carbon Sequestration I, LLC, Carbon Sequestration II, LLC, Carbon Sequestration III, LLC, Reforestation Initiatives I, LLC and/or Reforestation Initiatives II, LLC (collectively, the “NonDebtor Sellers”, and together with the Sellers, the “Debtors”), and Inherent Aspiration, LLC (or its designee, the “Stalking Horse Bidder”), substantially in the form attached to the Motion as Exhibit B, subject to higher and better bids for the Acquired Assets as described below. As described in the Motion, the Stalking Horse Agreement contemplates, pursuant to the terms and subject to the conditions contained therein, the sale of the Acquired Assets in exchange for a purchase price (the “Stalking Horse Purchase Price”) consisting of (i) a credit bid of amounts owed pursuant to the Prepetition Secured Loan Facility and/or pursuant to the DIP Facility (the “Credit Bid”) pursuant to Section 363(k) of the Bankruptcy Code in an amount equal to \$20,000,000.00 (the “Credit Bid Amount”), which shall be allocated in the Purchaser’s sole discretion as a dollar-for-dollar credit against the amount of all of the outstanding obligations under the Prepetition Secured Loan Facility and/or DIP Facility as of the Closing Date, (ii) the assumption of Assumed Liabilities, and (iii) payment in full of Cure Costs.

The Stalking Horse Agreement provides for payment of bid protections in the form of a break-up fee in the amount of \$600,000.00 (the “Break-Up Fee”) and a reimbursement of the Stalking Horse Bidder’s actual, reasonable, documented out-of-pocket expenses up to an amount not to exceed \$400,000.00 (the “Expense Reimbursement”).

On [•], 2025, the Court entered the *Order Pursuant to Sections 105, 363, 364, 365 and 541 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9007 and Del. Bankr. L.R. 2002-1 and 6004-A(A) Approving Bid Procedures for the Sale of Substantially all of the Debtors’ Assets, (B) Approving the Debtors’ Entry Into the Stalking Horse Agreement and Related Expense Reimbursement and Break-Up Fee, (C) Approving Procedures for the Assumption and Assignment of Designated Executory Contracts and Unexpired Leases, (D) Scheduling an Auction and Sale Hearing and (E) Approving Forms and Manner of Notice of Respective Dates, Times and Places in Connection Therewith; and (F) Granting Related Relief* [D.I. [\_\_\_\_]] (the “Bidding Procedures Order”), which, among other things, (i) authorized the Debtors to perform their pre-closing obligations under the Stalking Horse Agreement and (ii) approved the bidding procedures set forth herein (the “Bidding Procedures”) governing the submission of competing proposals to purchase the Acquired Assets pursuant to section 363 of the Bankruptcy Code. The sale of the

---

<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Stalking Horse Agreement.

Acquired Assets will be implemented pursuant to the terms and conditions of the Bidding Procedures Order and the Stalking Horse Agreement, as the same may be amended pursuant to the terms thereof, subject to the Debtors' selection in their reasonable discretion, after consultation with Inherent Group, LP, as administrative agent and collateral agent for the Debtors' senior secured lenders (in such capacity, "Prepetition Collateral Agent" and "DIP Agent" (each as defined in the interim and final orders authorizing the Debtors to obtain postpetition financing and use of cash collateral (the "DIP Orders")) and, together, the "Agents") and Inherent Aspiration, LLC (as defined in the DIP Orders, the "DIP Lender") (the Agents and the DIP Lender are hereinafter referred to as the "Consultation Parties"), of a higher and otherwise better bid as the Successful Bid (as defined below) in accordance with these Bidding Procedures.

#### **A. Notice Parties**

Information required to be provided under these Bidding Procedures must be provided to the following parties (collectively, the "Notice Parties"): (a) the Debtors, c/o CTN Holdings, Inc., 548 Market Street, PMB 72015, San Francisco, CA 64101-5401, Attn: Statton Hammock, and c/o CTN Holdings, Inc., 13355 Noel Road, Suite 2005, Dallas, Texas 75240, Attn: Miles Staglik; (b) proposed counsel to the Debtors, Whiteford, Taylor & Preston LLP, 3190 Fairview Park Drive, Suite 800, Falls Church, VA 22042-4510, Attn: David W. Gaffey (dgaffey@whitefordlaw.com), Brandy M. Rapp (brapp@whitefordlaw.com) ("Whiteford"); (c) proposed investment banker to the Debtors, Hilco Corporate Finance, LLC, 401 N. Michigan, Suite 1630, Chicago, IL 60611, Attn: Terri Stratton (tstratton@hilcofc.com) ("Hilco"); (d) counsel to the Stalking Horse Bidder, Proskauer Rose LLP, Eleven Times Square, New York, NY 10036-8299, Attn: Vincent Indelicato (vindelicato@proskauer.com) and One International Place, Boston, MA 02110, Attn: Charles A. Dale (cdale@proskauer.com), and Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market St, 16<sup>th</sup> Floor, Wilmington, DE 19801, Attn: Robert J. Dehney, Sr. (rdehney@morrisnichols.com), Matthew B. Harvey (mharvey@morrisnichols.com), Brenna A. Dolphin (bdolphin@morrisnichols.com); (e) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Rosa Sierra-Fox (Rosa.Sierra-Fox@usdoj.gov) ("U.S. Trustee"); and (f) counsel to any official committee appointed in the Chapter 11 Cases.

#### **B. Key Dates**

<b>Event</b>	<b>Deadline</b>
Deadline for Debtors to File Cure Notice	May 2, 2025
Bid Procedures Hearing	April 30, 2025, at 9:30 a.m. (ET)
Sale Objection Deadline	May 9, 2025, at 4:00 p.m. (ET)
Bid Deadline	May 13, 2025, at 4:00 p.m. (ET)
Deadline to Designate Qualified Bids	May 14, 2025
Auction	May 15, 2025, at 10:00 a.m. (ET)
Deadline to Serve Notice of Successful Bidder and Supplemental Cure Notice	One (1) business day after the close of the Auction
Deadline to File Supplemental Sale Objection and Objection to Assumption or Cure Amount	May 19, 2025, at 4:00 p.m. (ET)

(If Successful Bidder is Different Than Stalking Horse Bidder)	
Sale Hearing	May [•], 2025

### **C. Potential Bidder Requirements**

To participate in the formal bidding process or otherwise be considered for any purpose hereunder, a person (other than the Stalking Horse Bidder) interested in submitting a bid (an “Interested Party”) must deliver to the Debtors, proposed counsel to the Debtors and Hilcoan executed confidentiality agreement substantially in the form previously sent to Agents’ counsel on April 9, 2025 (each, a “Confidentiality Agreement”). Such person or entity that has delivered an executed Confidentiality Agreement shall be considered a potential bidder (a “Potential Bidder”).

### **D. Due Diligence**

The Debtors will provide to each Potential Bidder reasonable due diligence information, as requested, as soon as reasonably practicable after such request, provided that if any Potential Bidder is (or is affiliated with) a competitor of the Debtors, the Debtors will not be required to disclose to such Potential Bidder any trade secrets, proprietary information, or other commercially sensitive information unless, under the Debtors’ business judgment in consultation with the Consultation Parties, the Confidentiality Agreement executed by such Potential Bidder (i) sufficiently protects the Debtors’ estates, and (ii) contains appropriate provisions to ensure that such trade secrets or proprietary information will not be used by such Potential Bidder or its Affiliates for an improper purpose or to gain an unfair competitive advantage. Each Potential Bidder will comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding such Potential Bidder and its contemplated transaction. If the Debtors, after consultation with the Consultation Parties, determine at any time in their reasonable discretion that a Potential Bidder is not reasonably likely to be a Qualified Bidder (as defined below), then the Debtors’ obligation to provide due diligence information to such Potential Bidder will terminate and all information provided by the Debtors prior to such time shall be returned to the Debtors or destroyed in accordance with the terms of the applicable Confidentiality Agreement.

### **E. Bid Requirements**

To be eligible to participate in the Auction, each Potential Bidder must submit a proposal (a “Bid”) <sup>4</sup> to purchase some or all of the Debtors’ assets by **May 13, 2025 at 4:00 p.m. (ET)** (the “Bid Deadline”) and such Bid must satisfy each of the following conditions (together the “Bid Requirements”):

- 1) state that the applicable Potential Bidder offers to purchase the Acquired Assets upon terms and conditions no less favorable to the Debtors’ estates as the Debtors, in consultation with the Consultation Parties, may reasonably determine, than the

<sup>4</sup> Promptly (and in any event within 1 business day after receipt), Debtors will provide all Bids (and all related materials) to the Agents.

transactions contemplated in the Stalking Horse Agreement;

- 2) be accompanied by a deposit (each, a “Good Faith Deposit”) in the form of a wire transfer or certified check or such other form acceptable to the Debtors in their sole discretion, payable to the order of Kurtzman Carson Consultants, LLC dba Verita Global (the “Escrow Agent”), in an amount equal to 10% of the cash portion of the Purchase Price being bid;
- 3) specify the amount of cash or other consideration offered by the Potential Bidder (the “Purchase Price”), which Purchase Price must: (a) exceed the aggregate sum of (i) the aggregate consideration set forth in the Stalking Horse Agreement; (ii) the Assumed Liabilities set forth in the Stalking Horse Agreement; (iii) the Expense Reimbursement and Break-Up Fee, and (iv) the minimum bid increment of \$250,000; and (b) include an amount of cash consideration at closing that exceeds the aggregate sum of (i), (iii) and (iv) (such aggregate sum specified in (a) and (b), the “Minimum Purchase Price”);
- 4) include an executed asset purchase agreement, together with all exhibits and schedules thereto, pursuant to which the Potential Bidder proposes to effectuate a proposed transaction at the Purchase Price (the “Transaction Documents”), which Transaction Documents must include a copy of the proposed asset purchase agreement marked against the Stalking Horse Agreement to show all changes requested by the Potential Bidder including, but not limited to, treatment of any assumed liabilities;
- 5) be irrevocable by the Potential Bidder until the selection of the Successful Bid in accordance with the terms of these Bidding Procedures; *provided* that if such Potential Bidder is selected as the Successful Bidder or Back-Up Bidder and is required to be a Back-Up Bidder hereunder, its Bid must remain irrevocable until the Debtors’ consummation of a sale with the Successful Bidder;
- 6) include a list which specifies in detail which of the Debtors’ unexpired leases and executory contracts are to be assumed by the Debtors and assigned to the Potential Bidder in connection with the consummation of the proposed transaction and an agreement that the Potential Bidder will pay any related cure costs;
- 7) contain a description of how the Potential Bidder intends to treat the Debtors’ current employees;
- 8) provide a commitment to close by May 24, 2025;
- 9) not be conditioned on any contingency, including unperformed due

diligence, obtaining financing, obtaining third-party consents, or any internal approval;

- 10) include an acknowledgement that the sale or transfer of the Acquired Assets will be on an “as is, where is” basis and without representations or warranties of any kind by Debtors or their agents other than as set forth in the Stalking Horse Agreement;
- 11) include a description of all governmental, licensing, regulatory or other filings, approvals or consents, that are required to be made or obtained to close the proposed transaction, together with evidence of the ability to make any applicable filings or submissions within three (3) business days of being declared the Successful Bidder;
- 12) contain written evidence of a commitment for financing or other evidence of the ability to consummate a proposed transaction at the Purchase Price (including sufficient financial or other information to establish adequate assurance of future performance pursuant to section 365(f)(2) of the Bankruptcy Code and, if applicable, section 365(b)(3) of the Bankruptcy Code to the non-Debtor counterparties to any executory contracts and unexpired leases to be assumed by the Debtors and assigned to the Potential Bidder in connection with the proposed transaction), satisfactory to the Debtors in their reasonable discretion with appropriate contact information for such financing sources;
- 13) contain written evidence satisfactory to the Debtors, after consultation with the Consultation Parties, of authorization and approval from the Potential Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and consummation of such Bid and the transaction(s) contemplated therein and any Overbid(s) (as defined below), and related Transaction Documents;
- 14) not request or entitle the Potential Bidder to any break-up fee, termination fee, expense reimbursement or similar type of payment (except to the extent consented to in writing by Debtors after consultation with Agents);
- 15) fully disclose the identity of each entity that will be bidding for the Acquired Assets or otherwise sponsoring, financing (including through the issuance of debt in connection with such Bid), participating in or benefiting from (including through license or similar arrangement with respect to the assets to be acquired in connection with such Bid) such Bid (a “Participating Party”), and the complete terms of any such sponsorship, participation, financing or benefit;

- 16) constitute a good faith, bona fide offer to effectuate the proposed transaction;
- 17) include a written acknowledgement by such Potential Bidder that it agrees to all of the terms for sale set forth in these Bidding Procedures;
- 18) include an agreement to provide any other information reasonably requested by the Debtors; and
- 19) be received by the Bid Deadline.

#### **F. Designation as Qualified Bidder**

A qualified bidder (“Qualified Bidder”) is a Potential Bidder that, in the Debtors’ reasonable determination, after consultation with the Consultation Parties, (i) has timely submitted a Bid that satisfies each of the Bid Requirements listed above and (ii) is able to consummate the proposed transaction within the required timeframe if selected as the Successful Bidder (such Bid submitted by a Qualified Bidder, a “Qualified Bid”); *provided* that the Debtors reserve the right to work with any Potential Bidder to cure any deficiencies in a Bid that is not initially deemed a Qualified Bid. Within two (2) business days after a Potential Bidder delivers all of the documents described above, the Debtors will determine in their reasonable discretion, after consultation with the Consultation Parties, whether such Potential Bidder is a Qualified Bidder, and notify the Potential Bidder of such determination. For the avoidance of doubt, (i) the Stalking Horse Bidder is a Qualified Bidder, (ii) the Stalking Horse Agreement is a Qualified Bid, and (iii) the Stalking Horse Bidder is authorized to submit any Overbids (as defined below) during the Auction, in each instance without further qualification required of the Stalking Horse Bidder.

Notwithstanding anything herein to the contrary, without any further action of any kind: (a) each Agent (and any designee of each Agent, including, without limitation, any entity that may be formed by or on behalf of any of the DIP Lender (and any designee of the DIP Lender) may submit a Bid and, in connection with any such Bid, is, and will be deemed to be, a Qualified Bidder for all purposes under and in connection with these Bidding Procedures and may credit bid all or any portion of the Prepetition Secured Note Obligations and the DIP Obligations (each as defined in the DIP Orders) in accordance with applicable law, including, without limitation, at any Auction; (b) any credit bid made by any Agent or any DIP Lender (or such designee) is, and will be deemed to be, a Qualified Bid in each instance and for all purposes under and in connection with the Bidding Procedures and will be deemed to be, and will be evaluated by the Debtors, and the Consultation Parties as, a cash Qualified Bid; and (c) subject to the proviso at the end of this sentence, Agents, DIP Lender and such designees will not be subject to the terms and conditions of the section entitled “Bid Requirements”: clauses (2), (3), (9), (11), (12), (13), and (18); *provided*, however, that (x) such Agent or such DIP Lender (or any designee thereof) submitting a credit bid will provide a Good Faith Deposit, provided that such Good Faith Deposit shall consist of a reduction in the applicable secured claim of such Agent or such DIP Lender in the Cases and will not be payable in cash notwithstanding anything to the contrary in these Bidding Procedures and (y) any such bid must provide for the payment in full in cash of the Expense Reimbursement and

Break-Up Fee . These Bidding Procedures are subject to the terms and provisions of the DIP Orders.

In the event that any Agent or DIP Lender(or such designee) submits a Bid and is still participating in the Auction process, the Agents and DIP Lender(or such designee) shall no longer be considered a Consultation Party with respect to the assets for which it has submitted a Bid; provided, that if any such party irrevocably indicates in writing that it is no longer a bidder for such assets, such party shall thereafter be considered a Consultation Party.

**G. “As Is, Where Is”**

Any sale or transfer of the Acquired Assets will be on an “as is, where is” basis and without representations or warranties of any kind by the Debtors and their agents, except and solely to the extent expressly set forth in a final purchase agreement. Each Qualified Bidder will be required to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Debtors’ assets that are the subject of the Auction prior to making its Bid and that it has relied solely upon its own independent review and investigation in making its Bid.

**H. Auction**

(1) **Auction.** If the Debtors receive two or more Qualified Bids (including the Stalking Horse Bid), the Debtors may hold an Auction; *provided* that the Debtors in their discretion and with the prior written consent of the Agents (acting at the direction of the Prepetition Secured Parties or DIP Lender (as defined in the DIP Orders) may elect to forego an Auction and select a Qualified Bid as the Successful Bid.

If no Qualified Bids (other than the Stalking Horse Bid) are received by the Bid Deadline, then the Auction shall be cancelled, the Stalking Horse Bidder will be deemed the Successful Bidder, the Stalking Horse Agreement will be the Successful Bid, and, at the Sale Hearing, the Debtors will seek final Court approval of the sale of the Acquired Assets to the Stalking Horse Bidder in accordance with the terms of the Stalking Horse Agreement.

(2) **Auction Date and Location.** If an Auction is held, it will commence on or before May 15, 2025, at 10:00 a.m. (Prevailing Eastern Time) at the offices of Whiteford, Taylor & Preston, LLC, 600 North King Street, Suite 300, Wilmington, DE 19801, telephonically or by video via Zoom, or such later time or other place, in consultation with the Consultation Parties; ; *provided, however*, that the Debtors, in their discretion, and in consultation with the Consultation Parties, shall have the right to hold the Auction at another place or virtually, with instructions for Qualified Bidders to participate to be provided prior to the Auction, with notice to all Qualified Bidders and any other invitees. The Auction will be transcribed to ensure an accurate recording of the bidding at the Auction.

(3) **Baseline Bid.** No later than one (1) day prior to the commencement of the Auction, the Debtors will provide all Notice Parties and Consultation Parties with complete copies of all Transaction Documents and all other bid materials submitted by each other Qualified Bidder, subject to exclusion of any confidential financial information as determined by the Debtors in their

reasonable discretion or which has been so designated by the applicable Qualified Bidder. At the commencement of the Auction, the Debtors will notify all Qualified Bidders, Notice Parties and Consultation Parties of the highest acceptable Qualified Bid, as determined by the Debtors in their reasonable discretion after consultation with the Consultation Parties (the “Baseline Bid”). The Debtors’ determination of which Qualified Bid constitutes the Baseline Bid, in consultation with the Consultation Parties, shall take into account factors such as the potential recovery to general unsecured creditors, if any, pursuant to such Qualified Bid and the certainty of such recovery, whether all administrative, priority and secured claims will be paid in full under such Qualified Bid and any other factors the Debtors, in consultation with the Consultation Parties, reasonably deem relevant to the value of the Qualified Bid to the estates. No later than the day prior to the commencement of the Auction, each Qualified Bidder that has timely submitted a Qualified Bid must inform the Debtors whether it intends to attend the Auction; *provided* that in the event a Qualified Bidder elects not to attend the Auction, such Qualified Bidder’s Qualified Bid will nevertheless remain fully enforceable against such Qualified Bidder.

**(4) Participation Requirements.** Only a Qualified Bidder that has submitted a Qualified Bid will be eligible to participate at the Auction. The authorized representatives of each of the Qualified Bidders (including the Stalking Horse Bidder), the Debtors, the Agent, and the Committee will be permitted to attend the Auction. In addition, pursuant to Local Rule 6004-1, all creditors of the Debtors who have not submitted Bids may attend the Auction as observers, *provided* that they send an email to Debtors’ counsel indicating that they intend to attend the Auction no less than one (1) Business Day prior to the Auction, *provided further* that the Debtors’ right to object on an emergency basis to any such creditor’s proposed attendance at the Auction is reserved.

**(5) Auction Procedures.** The Debtors and their professionals will direct and preside over the Auction. At the start of the Auction, the Debtors will describe the terms of the Baseline Bid. All Bids made thereafter must be Overbids (as defined below) and will be made and received on an open or closed basis, as determined by Debtors in consultation with the Consultation Parties, and all material terms of each Bid will be fully disclosed to all other Qualified Bidders. The Debtors will maintain a transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, the Successful Bid and the Back-Up Bid. Each Qualified Bidder will be required to confirm on the record of the Auction that it has not engaged in any collusion with respect to the bidding or the sale of the Acquired Assets. The Debtors, in their reasonable discretion, after consultation with the Consultation Parties, reserve the right to conduct the Auction in a manner designed to maximize value based upon the nature and extent of the Qualified Bids received. The Debtors and their professionals will consult in good faith with the Consultation Parties throughout the Auction process.

During the Auction, bidding will begin initially with the Baseline Bid and subsequently continue in minimum increments of at least \$250,000 (each, an “Overbid”). The Debtors will announce at the Auction the material terms of each Overbid, value each Overbid in accordance with these Bidding Procedures and provide each Qualified Bidder with an opportunity to make a subsequent Overbid (except in the event of a round of closed, final bidding). Additional consideration in excess of the amount set forth in the Baseline Bid may include cash and/or other consideration acceptable to the Debtors in accordance with these Bidding Procedures; *provided*,



however, that no portion of the consideration may include non-cash consideration other than in the form of the assumption of Assumed Liabilities without the prior written consent of Agents (acting at the direction of the Prepetition Secured Parties pursuant to the Prepetition Secured Note Documents and DIP Documents (each as defined in the DIP Orders)). Qualified Bidders must submit a Bid in each round of bidding that is higher or otherwise better than the highest or otherwise best Bid submitted by a Qualified Bidder in the prior round of bidding in order to remain eligible to participate in future rounds of bidding in the Auction. To the extent that a Qualified Bidder fails to submit a Bid in a round of bidding that is higher or otherwise better than the highest or otherwise best Bid submitted by a Qualified Bidder in the prior round of bidding, such Qualified Bidder shall be disqualified from continuing to participate in the Auction. When bidding at the Auction, the Stalking Horse Bidder will receive a cash credit in the amount of the Expense Reimbursement and Break-Up Fee and will be allowed to bid the Expense Reimbursement and Break-Up Fee.

To the extent that an Overbid has been accepted entirely or in part because of the addition, deletion, or modification of a provision or provisions in the applicable Transaction Documents or the Stalking Horse Agreement, the Debtors, after consultation with the Consultation Parties, will provide notice to each participant of the value ascribed by the Debtors to any such added, deleted, or modified provision or provisions, with such value being determined by the Debtors in their reasonable discretion, after consultation with the Consultation Parties.

Any Overbid made from time to time by a Qualified Bidder must remain open and binding on the Qualified Bidder unless and until (i) the Debtors accept a higher and otherwise better bid submitted by another Qualified Bidder during the Auction as an Overbid and (ii) such Overbid is not selected as the Back-Up Bid (as defined below). To the extent not previously provided (which will be determined by the Debtors), a Qualified Bidder submitting an Overbid must submit at the Debtors' request, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors (in consultation with the Consultation Parties)) demonstrating such Qualified Bidder's ability to close the transaction at the purchase price contemplated by such Overbid.

#### **I. Selection of Successful Bid**

At the conclusion of the Auction, the Debtors, in the exercise of their reasonable business judgment, in consultation with the Consultation Parties, will select (i) the highest acceptable Bid (the "Successful Bid") or collection of Bids (the "Successful Bids") submitted by a Qualified Bidder during the Auction that the Debtors believe is most beneficial to the Debtors and their estates, and (ii) at the Debtors' discretion, the next highest acceptable Bid (the "Back-Up Bid") or collection of Bids (the "Back-Up Bids") after the Successful Bid(s). In selecting the Successful Bid(s) and the Back-Up Bid(s), if any, the Debtors, in consultation with the Consultation Parties, shall take into account the projected percentage recovery to general unsecured creditors and the certainty of such recovery and whether all administrative, priority and secured claims will be paid in full and may also consider, among other things: (i) the number, type and nature of any changes to the Stalking Horse Agreement which may delay closing of the contemplated transaction and the cost to the Debtors of such modifications or delay; (ii) the liabilities being assumed; (iii) the likelihood of the Qualified Bidder's ability to close its proposed

transaction and the timing thereof; (iv) the expected net benefit of the transaction to the Debtors' estates and (v) any other factors the Debtors may reasonably deem relevant. The Qualified Bidder that submits a Successful Bid will be deemed a "Successful Bidder," and the Qualified Bidder that submits a Back-Up Bid, if any, will be deemed a "Back-Up Bidder." The Successful Bidder(s) and Back-Up Bidder(s), following the completion of the Auction, must increase their Good Faith Deposits so that they equal 10% of such Successful Bid or Back-Up Bid, as applicable.

The Auction will close when the Debtors announce that a Successful Bid(s) and, to the extent the Debtors determine, in consultation with the Consultation Parties, a Back-Up Bid(s), have been selected. Notwithstanding anything herein to the contrary, the Debtors are authorized, but not required, to select a Back-Up Bidder and a Back-Up Bid. For the avoidance of doubt, the Debtors will not consider or support any Bid for any of the Acquired Assets (whether or not such bid is made by a Qualified Bidder) received after the close of the Auction.

Upon declaration of the Successful Bid, the Successful Bidder shall, in its sole discretion, elect to consummate the Sale via entry of the Sale Order (i) granting the Motion pursuant to sections 105, 363 and 365 of the Bankruptcy Code or (ii) confirming a plan of reorganization/liquidation pursuant to sections 1123(a)(5)(D) and 1141(c) of the Bankruptcy Code.<sup>5</sup>

The Back-Up Bid(s), if any, will remain open and binding on the Back-Up Bidder(s) until consummation of the Successful Bid(s) with the Successful Bidder(s). If a Successful Bidder fails to consummate a Successful Bid within the time set forth therein, the Debtors will be authorized, but not required, to select a Back-Up Bidder, if any, as the new Successful Bidder, and shall proceed to consummate the Successful Bid of the new Successful Bidder.

#### **J. Implementation of the Sale**

The hearing to authorize the sale of the Acquired Assets to the Successful Bidder(s) pursuant to the Successful Bid(s) (the "Sale Hearing") will be held before the Court on May [•], 2025, at [\_\_:\_\_ .m.] (Prevailing Eastern Time). The Sale Hearing may be adjourned or rescheduled by the Debtors to a time and date consistent with the Court's calendar, as set forth in notice on the docket of the Cases, a notice of agenda or stated orally on the record at a hearing before the Court. Upon the Court's approval of the Successful Bid(s), the Successful Bid(s) will be deemed accepted by the Debtors, and the Debtors will be bound to the terms of that Successful Bid(s) with no further opportunity for an auction or other process.

If a Successful Bidder or a Back-Up Bidder (if a Successful Bidder fails to consummate the proposed transaction) fails to enter into their respective asset purchase agreement as promptly as practicable or consummate the proposed transaction consistent with the Successful

---

<sup>5</sup> In the event the Successful Bidder elects to consummate the Sale through the confirmation of a chapter 11 plan of reorganization/liquidation, the DIP Credit Agreement shall be deemed amended to extend the deadline to have consummated the Sale through and including forty five (45) days from the conclusion of the Sale Hearing, or such other date as the Successful Bidder and DIP Lender agree, to permit the Successful Bidder to propose and obtain confirmation of such chapter 11 plan.

Bid or Back-Up Bid (if applicable), because of a breach or failure to perform on the part of the Successful Bidder or Back-Up Bidder (if applicable), all parties in interest reserve the right to seek all available damages from the defaulting Successful Bidder or Back-Up Bidder (if applicable), including specific performance and retention of the Good Faith Deposit.

**K. Consent to Jurisdiction as Condition to Bidding**

All Qualified Bidders irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the Bankruptcy Court for any litigation arising out of or relating to the Auction (and agrees not to commence any litigation relating thereto except in the Bankruptcy Court) and waives any objection to the laying of venue of any such litigation in the Bankruptcy Court. To the extent the Bankruptcy Court declines, or is otherwise unable to, exercise jurisdiction, then the Qualified Bidders agree that the state or federal courts in New Castle County, State of Delaware, shall have jurisdiction.

**L. Return of Good Faith Deposit**

All Good Faith Deposits will be held by the Debtors in a non-interest-bearing escrow or trust account. Good Faith Deposits of Qualified Bidders, other than a Successful Bidder and a Back-Up Bidder, if any, will be returned to the unsuccessful bidders within five (5) days after selection of a Successful Bidder and Back-Up Bidder, if any, in accordance with these Bidding Procedures. A Successful Bidder's Good Faith Deposit will be applied to the Purchase Price of their Successful Bid at closing, and the Debtors will be entitled to retain such Good Faith Deposit as part of their damages if a Successful Bidder fails to meet their obligations to close the transaction contemplated by their Successful Bid. The Good Faith Deposit of a Back-Up Bidder, if any, will be returned to the Back-Up Bidder, if any, within five (5) days after the consummation of the sale with a relevant Successful Bidder.

**M. Reservation of Rights**

The Debtors reserve the right, in consultation with the Consultation Parties, in their reasonable discretion and subject to the exercise of their business judgment, to alter or modify any of the rules or procedures set forth herein, to waive terms and conditions set forth herein with respect to all potential bidders, extend the deadlines set forth herein, alter the assumptions set forth herein, and/or to terminate discussions with any and all prospective acquirers and investors at any time and without specifying the reasons therefor, in each case to the extent not materially inconsistent with the Bidding Procedures Order or the Stalking Horse Agreement; *provided*, however, that the Debtors shall not waive the requirement to make a Good Faith Deposit.

Nothing in the Bidding Procedures shall require the Debtors to take any action, or to refrain from taking any action to the extent the Debtors determine that refraining from taking such action or taking such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.

Nothing herein or contemplated hereby constitutes, or will be deemed to constitute or otherwise result in, the consent or approval of the Agents or any Lender to any sale of the

Acquired Assets, any Bid, or to any agreement, motion, document or pleading relating thereto, or the waiver or modification of any of the terms of, or any rights under, any existing agreement, instrument or document, including, without limitation, any Prepetition Secured Note Document, any DIP Documents (each, as defined in the DIP Orders), or any default arising thereunder or relating thereto. Any and all rights of such parties to object or otherwise oppose any sale of the Acquired Assets, any Sale Order, Bid, or any agreement or document related thereto are hereby expressly preserved and reserved.

**EXHIBIT 2 To Bidding Procedures Order**  
**Cure Notice**

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

In re:

CTN HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

**NOTICE OF (I) POSSIBLE TREATMENT OF CONTRACTS AND LEASES, (II)  
FIXING OF CURE AMOUNTS, AND (III) DEADLINE TO OBJECT THERETO**

**PLEASE TAKE NOTICE** that, on April 11, 2025, the above-captioned debtors and debtors in possession (the “Debtors”) filed 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.\_\_\_\_] (the “Motion”)<sup>2</sup>, with the United States Bankruptcy Court for the District of Delaware (the “Court”), seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale (the “Sale”) of certain assets (the “Acquired Assets”) free and clear of all liens, claims, encumbrances, and other interests, with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the Sale proceeds, to Inherent Aspiration, LLC (the “Stalking Horse Bidder”), except as set forth in the Stalking Horse Agreement and subject to higher or otherwise better offers; (b) the Debtors’ bidding procedures (the “Bidding Procedures”) in connection with the proposed auction (the “Auction”) for the Sale of the Acquired Assets, and (c) certain procedures for the assumption and assignment of executory contracts (the “Contracts”) and unexpired leases (the “Leases”) in connection with the Sale (the “Designation Procedures”).*

**PLEASE TAKE FURTHER NOTICE** that a hearing on the Motion is currently scheduled for **April 30, 2025, at 9:30 a.m. (ET)** before the Honorable Thomas M. Horan, Bankruptcy Judge, United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801. At the hearing, the Debtors will seek entry of an

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Bidding Procedures, as applicable.

order approving the Bidding Procedures and the Designation Procedures (the “Bidding Procedures Order”).

**PLEASE TAKE FURTHER NOTICE** that the Debtors have requested that a hearing be held before the Honorable Thomas M. Horan, United States Bankruptcy Judge, on **May \_\_, 2025, at [\_\_:\_\_ .m.] (Prevailing Eastern Time)**, in Courtroom 7 of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 to consider approval of the Sale (the “Sale Hearing”). The Sale Hearing may be rescheduled or continued from time to time without further notice other than the announcement of the adjourned date(s) at the Sale Hearing or any continued hearing or on the applicable hearing agenda or other notice filed on the docket of these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that you are receiving this notice (the “Cure Notice”) because you or one of your affiliates may be a counterparty to one or more of the Contracts and Leases with one or more of the Debtors as set forth on **Exhibit A** attached hereto (the “Contract and Lease Schedule”).<sup>3</sup> If the Court enters the Sale Order, the Debtors may assume and assign to the Stalking Horse Bidder (or to another Successful Bidder selected at the Auction, if any) the Contract and/or Lease listed on the Contract and Lease Schedule, to which you are a counterparty, either as of the Closing Date or a later date pursuant to the Stalking Horse Agreement or the Successful Bidder Purchase Agreement, as applicable.

**PLEASE TAKE FURTHER NOTICE** that the Debtors have determined that the cure amounts necessary to cure all defaults, if any, and to pay all actual or pecuniary losses that have resulted from such defaults under the Contracts and Leases (the “Cure Amounts”) are in the total amount as set forth on the Contract and Lease Schedule attached hereto as **Exhibit A**.

**PLEASE TAKE FURTHER NOTICE** that if you disagree with the proposed Cure Amounts, object to the ability of the Debtors to provide adequate assurance of future performance with respect to the Contract or Lease, or otherwise object to the potential assumption and assignment of the Contract or Lease to the Stalking Horse Bidder or other Successful Bidder, as applicable, you must file with the Court and serve an objection (an “Contract Objection”) on the following parties so as to be actually received before **4:00 p.m. (prevailing Eastern Time) on May 9, 2025** (the “Sale Objection Deadline”): (a) the Debtors, c/o CTN Holdings, Inc., 548 Market Street, PMB 72015, San Francisco, CA 64101-5401, Attn: Statton Hammock, and c/o CTN Holdings, Inc., 13355 Noel Road, Suite 2005, Dallas, Texas 75240, Attn: Miles Staglik; (b) proposed counsel to the Debtors, Whiteford, Taylor & Preston LLP., 3190 Fairview Park Drive, Suite 800, Falls Church, VA 22042-4510, Attn: David W. Gaffey (dgaffey@whitefordlaw.com), Brandy M. Rapp (brapp@whitefordlaw.com); (c) counsel to the Stalking Horse Bidder, Proskauer Rose LLP, Eleven Times Square, New York, NY 10036-8299, Attn: Vincent Indelicato (vindelicato@proskauer.com) and One International Place, Boston, MA 02110, Attn: Charles A. Dale (cdale@proskauer.com), and Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market St, 16<sup>th</sup> Floor, Wilmington, DE 19801, Attn: Robert J. Dehney, Sr. (rdehney@morrisnichols.com),

<sup>3</sup> This Cure Notice is being sent to counterparties to contracts and leases that may be executory contracts and unexpired leases. This Cure Notice is not an admission by the Debtors that such contract or lease is executory or unexpired.

Matthew B. Harvey (mharvey@morrisnichols.com), Brenna A. Dolphin (bdolphin@morrisnichols.com); (d) the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), 844 King Street, Room 2207, Wilmington, Delaware 19801, Attn: Rosa Sierra-Fox (Rosa.Sierra-Fox@usdoj.gov); and (e) counsel to any official committee of unsecured creditors appointed in the cases (the “Committee”). All Objections must: (i) be in writing; (ii) comply with the applicable provisions of the Bankruptcy Rules, Local Rules and any orders of the Court; and (iii) state with specificity the nature of the objection and, if the objection pertains to the Cure Amount, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof.

**PLEASE TAKE FURTHER NOTICE** that if and only if the Stalking Horse Bidder is **not** the Successful Bidder for the Acquired Assets, counterparties to the Contracts and Leases shall have until **May 19, 2025 at 4:00 p.m. (prevailing Eastern Time)** (the “Supplemental Adequate Assurance Objection Deadline”) to object to the assumption and assignment of the Contracts and Leases (a “Supplemental Adequate Assurance Objection”) **solely** on the issue of whether the Successful Bidder can provide adequate assurance of further performance as required by section 365 of the Bankruptcy Code. For the avoidance of doubt, if the Stalking Horse Bidder is the Successful Bidder, all adequate assurance Objections must be filed by the Sale Objection Deadline.

**PLEASE TAKE FURTHER NOTICE** that any party that fails to timely file a Contract Objection shall be deemed to have consented to the assumption and assignment of the Contract or Lease to the Stalking Horse Bidder or Successful Bidder, as applicable, and the Cure Amounts proposed by the Debtors in this Cure Notice, and shall be forever enjoined and barred from seeking any additional amount(s) on account of the Debtors’ cure obligations under section 365 of the Bankruptcy Code or otherwise from the Debtors or their estates (except, to the extent applicable, with respect to matters arising **after** the Closing and that are not otherwise paid in the ordinary course).

**PLEASE TAKE FURTHER NOTICE** that any objection to the proposed assumption and assignment or related cure of a Contract or Lease in connection with the Sale that remains unresolved as of the Sale Hearing shall be heard at the Sale Hearing (or at a later date as fixed by the Court) provided that any such objection may be adjourned, in full or in part, by the Debtors to a later date by listing such adjournment in a notice of agenda or other notice filed on the docket of the cases and served on the affected counterparty.

**PLEASE TAKE FURTHER NOTICE** that the Debtors hereby reserve all rights to amend, revise or supplement any documents relating to the Sale and/or to be executed, delivered, assumed and/or performed in connection with the Sale or the Stalking Horse Agreement or Successful Bidder Purchase Agreement, as applicable, including the Contract and Lease Schedule.

**PLEASE TAKE FURTHER NOTICE** that notwithstanding anything herein, this Cure Notice shall not be deemed to be an assumption, rejection, or termination of any of the Contracts and Leases. Moreover, the Debtors explicitly reserve their rights to reject or assume any of the Contracts and Leases pursuant to section 365(a) of the Bankruptcy Code and nothing herein (a) alters in any way the prepetition nature of the Contracts and Leases or the validity, priority, or



amount of any claims of counterparties to the Contracts and Leases against the Debtors that may arise under such Contracts and Leases, (b) creates a postpetition contract or agreement, or (c) elevates to administrative expense priority any claims of counterparties to the Contracts and Leases against the Debtors that may arise under such Contracts and Leases.

**PLEASE TAKE FURTHER NOTICE** that the Debtors have requested that the Court establish the above dates and deadlines to govern the assumption of the Contracts. These dates and deadlines may be modified or extended by the Debtors or the Court without any further notice.

**PLEASE TAKE FURTHER NOTICE** that copies of the Motion (and all exhibits thereto), the Bidding Procedures Order, the Bidding Procedures, and proposed Sale Order (and all exhibits thereto) are available for review free of charge by accessing <https://www.veritaglobal.net/CTNHoldings>.

Dated: April \_\_, 2025  
Wilmington, Delaware

**WHITEFORD, TAYLOR & PRESTON LLC<sup>2</sup>**

/s/ William F. Taylor, Jr.

William F. Taylor, Jr. (DE No. 2936)  
600 North King Street, Suite 300  
Wilmington, DE 19801  
Telephone: (302) 353-4144  
Email: wtaylor@whitefordlaw.com

**WHITEFORD, TAYLOR & PRESTON LLP**

David W. Gaffey (admitted *pro hac vice*)  
Brandy M. Rapp (admitted *pro hac vice*)  
J. Daniel Vorsteg (admitted *pro hac vice*)  
Joshua D. Stiff (admitted *pro hac vice*)  
Alexandra G. DeSimone (admitted *pro hac vice*)  
3190 Fairview Park Drive, Suite 800  
Falls Church, VA 22042-4510  
Telephone: (703) 280-9860  
Email: dgaffey@whitefordlaw.com  
brapp@whitefordlaw.com  
jdvorsteg@whitefordlaw.com  
jstiff@whitefordlaw.com  
adesimone@whitefordlaw.com

*Proposed Counsel to the Debtors and Debtors in Possession*

---

<sup>2</sup> Whiteford, Taylor & Preston LLP operates as Whiteford, Taylor & Preston LLC in Delaware.

**EXHIBIT 3 To Bidding Procedures Order**  
**Sale Notice**

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

In re:

CTN HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

**NOTICE OF SALE, BIDDING PROCEDURES, AUCTION AND SALE HEARING**

**PLEASE TAKE NOTICE** that, on April 11, 2025, the above-captioned debtors and debtors in possession (the “Debtors”) filed 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.\_\_\_\_] (the “Motion”)<sup>2</sup>, with the United States Bankruptcy Court for the District of Delaware (the “Court”), seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale (the “Sale”) of certain assets (the “Acquired Assets”), to Inherent Aspiration, LLC (the “Stalking Horse Bidder”), except as set forth in the Stalking Horse Agreement and subject to higher or otherwise better offers; and (b) certain procedures for the assumption and assignment of executory contracts (the “Contracts”) and unexpired leases (the “Leases”) in connection with the Sale.

**PLEASE TAKE FURTHER NOTICE THAT THE DEBTORS ARE PROPOSING TO SELL THE ACQUIRED ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS (OTHER THAN PERMITTED POST-CLOSING ENCUMBRANCES). IN CONNECTION WITH THE SALE, THE STALKING HORSE BIDDER AND OTHER PURCHASERS WILL ALSO BE SEEKING A FINDING FROM THE COURT THAT THEY ARE NOT LIABLE UNDER THEORIES OF “SUCCESSOR LIABILITY” FOR ANY LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS ARISING BEFORE THE CLOSING DATE.**

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Bidding Procedures, as applicable.

**PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, AND THE ABSENCE OF SUCCESSOR LIABILITY.**

**PROPOSED DATES AND DEADLINES<sup>2</sup>**

The Debtors have requested that the Court establish the following dates and deadlines to govern the Debtors' bidding procedures and sale process. At the hearing on April 30, 2025, if no party objects, or if any such objection is overruled and a Court otherwise approves of the Bidding Procedures in their current form, the following dates and deadlines will be confirmed:

1. **Bid Deadline.** The deadline to submit a Qualified Bid is **May 13, 2025, at 4:00 p.m. (prevailing Eastern Time).**

2. **Sale Objection Deadline.** The deadline to file an objection to (i) the Sale, including the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code (a "Sale Objection") and/or (ii) the potential assumption or assumption and assignment of the Assigned Contracts and Cure Amounts related thereto (a "Contract Objection") (except as otherwise set forth in the Designation Procedures) is **May 9, 2025 at 4:00 p.m. (prevailing Eastern Time)** (the "Sale and Contract Objections Deadline").

3. **Auction.** If one or more Qualified Bids is received by the Bid Deadline, the Debtors will conduct the Auction with respect to the Debtors' Assets. The Auction will commence on **May 15, 2025, at 10:00 a.m. (prevailing Eastern Time)**, at the offices of Whiteford, Taylor & Preston, LLC, 600 North King Street, Suite 300, Wilmington, DE 19801, telephonically or by video via Zoom, or such later time or other place in consultation with the Consultation Parties. The Debtors have the right to adjourn or cancel the Auction at or prior to the Auction. **All interested or potentially affected parties should carefully review the Bidding Procedures and the Bidding Procedures Order.**

4. **Auction Objection Deadline.** If the Auction is held, the deadline to file an objection to the conduct of the Auction, the choice of Successful Bidder and/or Back-Up Bidder, other than the Stalking Horse Bidder (an "Auction Objection") is **May 19, 2025 at 4:00 p.m. (prevailing Eastern Time)** (the "Auction Objection Deadline"). The deadline to file any Contract Objections solely on the basis of adequate assurance of future performance by a Successful Bidder and/or Back-Up Bidder other than the Stalking Horse Bidder (a "Supplemental Adequate Assurance Objection") is **May 19, 2025, at 4:00 p.m. (prevailing Eastern Time)** (the "Supplemental Adequate Assurance Objection Deadline").

---

<sup>2</sup> The following dates and deadlines may be modified or extended by the Debtors or the Court without any further notice.

5. **Sale Hearing.** A hearing (the “Sale Hearing”) to consider approval of the proposed Sale **free and clear of all liens, claims, interests and encumbrances** will be held on **May \_\_, 2025** before the Honorable Thomas M. Horan, Bankruptcy Judge, United States Bankruptcy Court for the District of Delaware, at District of Delaware, at 824 Market Street North, 3rd Floor, Wilmington, Delaware 19801, or at such other place (which may be by video conference) and time as the Debtors shall notify all Qualified Bidders and all other parties entitled to attend the Auction.

**The foregoing dates and deadlines may be extended or otherwise modified by the proposed Bidding Procedures Order or other order of the Court. You should review the case website for any modifications at <https://www.veritaglobal.net/CTNHoldings>.**

### **FILING OBJECTIONS**

Sale Objections, Contract Objections, Auction Objections and Non-Stalking Horse Adequate Assurance Objections, if any, must: (i) be in writing, (ii) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules and any orders of the Court, (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor and (iv) be filed with the Court and served so as to be actually received no later than the Sale Objection Deadline by the following parties: (a) the Debtors, c/o CTN Holdings, Inc., 548 Market Street, PMB 72015, San Francisco, CA 64101-5401, Attn: Statton Hammock, and c/o CTN Holdings, Inc., 13355 Noel Road, Suite 2005, Dallas, Texas 75240, Attn: Miles Staglik; (b) proposed counsel to the Debtors, Whiteford, Taylor & Preston LLP., 3190 Fairview Park Drive, Suite 800, Falls Church, VA 22042-4510, Attn: David W. Gaffey ([dgaffey@whitefordlaw.com](mailto:dgaffey@whitefordlaw.com)), Brandy M. Rapp ([brapp@whitefordlaw.com](mailto:brapp@whitefordlaw.com)) (“Whiteford”); (c) counsel to the Stalking Horse Bidder, Proskauer Rose LLP, Eleven Times Square, New York, NY 10036-8299, Attn: Vincent Indelicato ([vindelicato@proskauer.com](mailto:vindelicato@proskauer.com)) and One International Place, Boston, MA 02110, Attn: Charles A. Dale ([cdale@proskauer.com](mailto:cdale@proskauer.com)), and Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market St, 16<sup>th</sup> Floor, Wilmington, DE 19801, Attn: Robert J. Dehney, Sr. ([rdehney@morrisnichols.com](mailto:rdehney@morrisnichols.com)), Matthew B. Harvey ([mharvey@morrisnichols.com](mailto:mharvey@morrisnichols.com)), Brenna A. Dolphin ([bdolphin@morrisnichols.com](mailto:bdolphin@morrisnichols.com)); (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Rosa Sierra-Fox ([Rosa.Sierra-Fox@usdoj.gov](mailto:Rosa.Sierra-Fox@usdoj.gov)) (“U.S. Trustee”); and (e) counsel to any official committee appointed in the Chapter 11 Cases.

**PLEASE TAKE FURTHER NOTICE** that copies of the Motion (and all exhibits thereto), the Bidding Procedures Order, the Bidding Procedures, and proposed Sale Order (and all exhibits thereto) are available for review free of charge by accessing <https://www.veritaglobal.net/CTNHoldings>.

**PLEASE TAKE FURTHER NOTICE** that, in accordance with the Bidding Procedures Order, a separate notice will be provided to the counterparties to executory contracts and unexpired leases that may be assumed and assigned in connection with the Sale.

Dated: April\_\_\_\_, 2025  
Wilmington, Delaware

**WHITEFORD, TAYLOR & PRESTON LLC<sup>3</sup>**

/s/ William F. Taylor, Jr.

William F. Taylor, Jr. (DE No. 2936)  
600 North King Street, Suite 300  
Wilmington, DE 19801  
Telephone: (302) 353-4144  
Email: wtaylor@whitefordlaw.com

**WHITEFORD, TAYLOR & PRESTON LLP**

David W. Gaffey (admitted *pro hac vice*)  
Brandy M. Rapp (admitted *pro hac vice*)  
J. Daniel Vorsteg (admitted *pro hac vice*)  
Joshua D. Stiff (admitted *pro hac vice*)  
Alexandra G. DeSimone (admitted *pro hac vice*)  
3190 Fairview Park Drive, Suite 800  
Falls Church, VA 22042-4510  
Telephone: (703) 280-9860  
Email: dgaffey@whitefordlaw.com  
brapp@whitefordlaw.com  
jdvorsteg@whitefordlaw.com  
jstiff@whitefordlaw.com  
adesimone@whitefordlaw.com

*Proposed Counsel to the Debtors and Debtors in Possession*

---

<sup>3</sup> Whiteford, Taylor & Preston LLP operates as Whiteford, Taylor & Preston LLC in Delaware.

**EXHIBIT B**

**Stalking Horse Agreement**

---

**ASSET PURCHASE AGREEMENT**

**DATED AS OF APRIL [·], 2025**

**BY AND AMONG**

**INHERENT ASPIRATION, LLC**

**AS PURCHASER,**

**AND**

**CTN HOLDINGS, INC.**

**AND ITS SUBSIDIARIES NAMED HEREIN,**

**AS SELLERS**

---



**TABLE OF CONTENTS****Page**

<b>ARTICLE I PURCHASE AND SALE OF ACQUIRED ASSETS; ASSUMPTION OF ASSUMED</b>	
<b>LIABILITIES .....</b>	<b>2</b>
Section 1.1 Purchase and Sale of the Acquired Assets .....	2
Section 1.2 Excluded Assets .....	4
Section 1.3 Assumption of Certain Liabilities .....	5
Section 1.4 Excluded Liabilities .....	6
Section 1.5 Assumption/Rejection of Certain Contracts .....	6
<b>ARTICLE II CONSIDERATION; PAYMENT; CLOSING .....</b>	<b>8</b>
Section 2.1 Consideration; Payment .....	8
Section 2.2 Closing .....	8
Section 2.3 Closing Deliveries by Sellers .....	8
Section 2.4 Closing Deliveries by Purchaser .....	9
<b>ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLERS.....</b>	<b>9</b>
Section 3.1 Organization and Qualification .....	9
Section 3.2 Authorization of Agreement .....	10
Section 3.3 Conflicts; Consents .....	10
Section 3.4 Title to Assets; Sufficiency of Assets .....	10
Section 3.5 Assigned Contracts .....	11
Section 3.6 Real Property .....	11
Section 3.7 Employees; Seller Benefit Plans .....	11
Section 3.8 Litigation; Decrees .....	12
Section 3.9 Data Privacy .....	13
Section 3.10 Environmental Matters.....	13
Section 3.11 Taxes .....	14
Section 3.12 Intellectual Property .....	15
Section 3.13 Compliance with Laws; Permits .....	17
Section 3.14 Brokers .....	<b>Error! Bookmark not defined.</b>
Section 3.15 No Other Representations or Warranties .....	18
<b>ARTICLE IV REPRESENTATIONS AND WARRANTIES OF PURCHASER .....</b>	<b>18</b>
Section 4.1 Organization and Qualification .....	18
Section 4.2 Authorization of Agreement .....	19
Section 4.3 Conflicts; Consents .....	19
Section 4.4 Brokers .....	19
Section 4.5 Solvency .....	19
Section 4.6 No Additional Representations or Warranties .....	20
<b>ARTICLE V COVENANTS AND AGREEMENTS .....</b>	<b>20</b>
Section 5.1 Conduct of Sellers .....	20
Section 5.2 Bankruptcy Actions. ....	20
Section 5.3 Alternative Transactions .....	21
Section 5.4 Cure Costs .....	21

Section 5.5	Access to Information .....	21
Section 5.6	Employee Matters .....	22
Section 5.7	Further Assurances.....	23
Section 5.8	Intellectual Property Matters.....	23
Section 5.9	Tax Matters .....	24
<b>ARTICLE VI CONDITIONS TO CLOSING .....</b>		<b>25</b>
Section 6.1	Conditions Precedent to the Obligations of Purchaser and Sellers.....	25
Section 6.2	Conditions Precedent to the Obligations of Purchaser .....	26
Section 6.3	Conditions Precedent to the Obligations of Sellers .....	27
Section 6.4	Waiver of Conditions.....	27
<b>ARTICLE VII TERMINATION .....</b>		<b>27</b>
Section 7.1	Termination of Agreement.....	27
Section 7.2	Effect of Termination.....	29
Section 7.3	Termination Payment.....	29
<b>ARTICLE VIII MISCELLANEOUS.....</b>		<b>29</b>
Section 8.1	Non-Survival of Representations and Warranties and Certain Covenants; Certain Waivers .....	29
Section 8.2	Expenses .....	30
Section 8.3	Notices .....	30
Section 8.4	Binding Effect; Purchaser Designee .....	31
Section 8.5	Amendment and Waiver .....	31
Section 8.6	Third Party Beneficiaries .....	32
Section 8.7	Non-Recourse .....	32
Section 8.8	Severability .....	32
Section 8.9	Construction.....	32
Section 8.10	Complete Agreement .....	33
Section 8.11	Specific Performance .....	33
Section 8.12	Jurisdiction and Exclusive Venue.....	33
Section 8.13	Governing Law; Waiver of Jury Trial .....	34
Section 8.14	Counterparts and PDF.....	35
Section 8.15	Publicity .....	35
Section 8.16	Bulk Sales Laws.....	35
Section 8.17	Fiduciary Obligations.....	35
Section 8.18	Sellers' Representative.....	35
Section 8.19	Schedules .....	36
Section 8.20	Approval of the Bankruptcy Court .....	36
<b>ARTICLE IX ADDITIONAL DEFINITIONS AND INTERPRETIVE MATTERS.....</b>		<b>36</b>
Section 9.1	Certain Definitions.....	36
Section 9.2	Rules of Interpretation .....	46

**Exhibits**

Exhibit A Bill of Sale, Form of Assignment and Assumption Agreement

Exhibit B Form of Intellectual Property Assignment Agreement

Schedules

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “Agreement”), dated as of April [•], 2025, is made by and among (a) Inherent Aspiration, LLC, a Delaware limited liability company (“Purchaser”), and (b)(i) CTN Holdings, Inc., a Delaware corporation (“CTN Holdings”), and (ii) the direct subsidiaries (the “Direct Subsidiaries”) and indirect subsidiaries (“Indirect Subsidiaries”) of CTN Holdings as set forth in the signature pages attached hereto (the Direct Subsidiaries, Indirect Subsidiaries, and CTN Holdings, each a “Seller” and, collectively, “Sellers”). Purchaser and Sellers are referred to herein individually as a “Party” and together as the “Parties.” Capitalized terms used herein shall have the meanings set forth herein including Article IX.

WHEREAS, CTN Holdings and the Direct Subsidiaries (the “Debtor Sellers”) each has filed a voluntary petition and commenced a case (together, the “Chapter 11 Cases”) under chapter 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) on March 30, 2025;

WHEREAS, Sellers engage in the business of delivering high quality carbon solutions to businesses and connecting companies with decarbonization plans and carbon removal projects (the “Business”);

WHEREAS, Purchaser desires to purchase the Acquired Assets (as defined below) and assume the Assumed Liabilities (as defined below) from Sellers, and Sellers desire to sell, convey, assign, and transfer to Purchaser the Acquired Assets together with the Assumed Liabilities, in a sale authorized by the Bankruptcy Court pursuant to, *inter alia*, sections 105, 363 and 365 of the Bankruptcy Code, in accordance with the other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure and the local rules for the Bankruptcy Court, all on the terms and subject to the conditions set forth in this Agreement and subject to the terms of the Bidding Procedures, Bidding Procedures Order and the Sale Order; and

WHEREAS, in connection with the Chapter 11 Cases and subject to the terms and conditions contained herein, following entry of the Sale Order finding Purchaser as the Successful Bidder, Sellers shall sell and transfer to Purchaser, and Purchaser shall purchase and acquire from Sellers, pursuant to, *inter alia*, sections 105, 363 and 365 of the Bankruptcy Code, in accordance with the other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure and the local rules for the Bankruptcy Court, the Acquired Assets, and Purchaser shall assume from Sellers the Assumed Liabilities, in each case, as specifically provided herein and in the Sale Order.

NOW THEREFORE, in consideration of the mutual promises contained herein, the benefits to be derived by each Party hereunder, and other good and valuable consideration, the Parties hereby agree as follows:

**ARTICLE I**  
**PURCHASE AND SALE OF ACQUIRED ASSETS;**  
**ASSUMPTION OF ASSUMED LIABILITIES**

**Section 1.1 Purchase and Sale of the Acquired Assets.** Pursuant to sections 105, 363 and 365 of the Bankruptcy Code, on the terms and subject to the conditions set forth herein and in the Sale Order, at the Closing (as defined below) Sellers shall sell, transfer, assign, convey, and deliver to Purchaser, and Purchaser shall purchase, acquire, and accept from Sellers, all of Sellers' right, title and interest in and to, as of the Closing, the Acquired Assets, free and clear of all Encumbrances other than Permitted Encumbrances. "Acquired Assets" means all of each Seller's right, properties, title and interest in and to, as of the Closing, all assets relating to the Business, including, solely to the extent relating to the Business, the following assets of each Seller, but excluding in all cases the Excluded Assets (as defined below):

- (a) subject to Section 1.5, all Contracts relating to the Business listed on Schedule 1.1(a),<sup>1</sup> including any backup data maintained by Sellers in connection therewith, and all non-disclosure agreements with respect to other bidders and potential bidders for the Business (collectively, the "Assigned Contracts"), and all rights and benefits thereunder;
- (b) copies of the Transferred Employee Records;
- (c) the Transferred Intellectual Property, including as set forth on Schedule 1.1(c);
- (d) the name "Catona Climate", "Make Earth Green Again", "Aspiration" or, in each case, any derivation thereof;
- (e) all Personal Information owned, controlled or otherwise processed by or on behalf of such Seller or any of its respective Subsidiaries, including all databases and data collections containing any such Personal Information;
- (f) all Inventory, including the Inventory set forth on Schedule 1.1(f) and held by such Sellers;
- (g) all goodwill and other intangible assets associated with the Business or the Acquired Assets including, but not limited to, all customer and supplier relationships and records, all rights under any confidentiality agreements executed by any third party for the benefit of such Seller or any of its respective Subsidiaries to the extent relating to the Business or the Acquired Assets, and all information and documents relating thereto;
- (h) all rights of such Seller or any of its respective Subsidiaries under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with any current or former employees, or current or former directors, consultants, independent contractors and agents of such Seller or any of its respective Subsidiaries or Affiliates or with third parties in respect of the Business;

---

<sup>1</sup> MNAT Note: any notes issued in favor of a Seller, including those made by Sanberg, should be included in schedule.

(i) subject to Section 1.5, all prepaid current insurance policies of such Seller or any of its respective Subsidiaries relating to the Business, the Acquired Assets or the Assumed Liabilities which are set forth on Schedule 1.1(a) (which shall be deemed Acquired Contracts), and all rights and benefits, proceeds and other amounts payable thereunder, including all insurance recoveries thereunder and rights to assert claims with respect to any such insurance recoveries, in each case, to the extent they are related to the Business, the Acquired Assets, the Assumed Liabilities or the operation of such Acquired Assets; provided, however, that any directors and officers insurance, including any recoveries thereunder and rights to assert claims relating thereto shall not constitute an Acquired Asset;

(j) subject to Section 1.5, all Contracts for the lease or license of real property set forth on Schedule 1.1(j) (the “Assumed Leases”, which shall be deemed Acquired Contracts), together with (to the extent of such Seller’s and any of its respective Subsidiaries’ interest therein) the buildings, fixtures and improvements, including tenant improvements, located on or attached to the underlying real property relating to such Assumed Leases, and all rights arising thereunder, and all tenements, hereditaments, appurtenances, rights of ways, easements, licenses, servitudes and other real property rights and privileges appertaining thereto, subject, in each case, to the rights of the applicable landlord (including rights to ownership or use of such property) under such Assumed Leases;

(k) subject to Section 1.5, all Contracts pursuant to which such Seller or any of its respective Subsidiaries receives the right or license to use any Intellectual Property Right or Computer System, including those set forth on Schedule 1.1(j) (the “Transferred IP Agreements”);

(l) all royalties, advance or prepaid expenses, prepaid assets, deferred assets, security, deposits or similar amounts of such Seller or any of its respective Subsidiaries, which are related to the Business, but other than those relating to Contracts that are not Assigned Contracts or Assumed Leases;

(m) all Computer Systems owned, or purported to be owned, by such Seller or any of its respective Subsidiaries;

(n) the Permits issued to, or for the benefit of, such Seller or any of its respective Subsidiaries, all rights and benefits thereunder and all pending applications or filings therefor and renewals thereof, which are related to the Acquired Assets or the Business, in each case, to the extent transferrable to Purchaser;

(o) all policies and procedures relating to the Acquired Assets or the Business;

(p) all Accounts Receivable related to the Business or the Acquired Assets, including rights to recover overpayments and those set forth on Schedule 1.1(p);

(q) all cash of Sellers and the contents of all bank accounts, safety deposit boxes, lock boxes and securities accounts of such Seller or any of its respective Subsidiaries, in each case related to the Business, but expressly excluding all Excluded Cash;

(r) a copy of the books and records, databases, files, plans, advertising and promotional and training materials, information, data and other similar items of such Seller or any of its

respective Subsidiaries, whether in written or electronic or any other format, related solely to the Business, the Acquired Assets or the Assumed Liabilities;

(s) all rights, claims, accounts and causes of action (including warranty and similar claims) of such Seller or any of its respective Subsidiaries (regardless of whether or not such claims and causes of action have been asserted by the Sellers), including all avoidance actions or similar causes of action arising under sections 544 through 553 of the Bankruptcy Code, and all rights of indemnity, rights of contribution, rights to refunds, rights of reimbursement and other rights of recovery, including rights to insurance proceeds, possessed by such Seller or any of its respective Subsidiaries (regardless of whether such rights are currently exercisable), in each case, against any Person, other than any other Seller, that is a party to or related to any Assigned Contract or Assumed Liability to the extent that such Persons do not assert or maintain any rights, claims or causes of action against Sellers;

(t) all claims, causes of action and avoidance actions or similar causes of action arising under sections 544 through 553 of the Bankruptcy Code and any analogous state law claims, including any proceeds of the foregoing;

(u) all rights to any credits, statements, rebates (including vendor or supplier rebates), reimbursement, refunds, returns or rights of set off, including, in each case, with respect to Taxes or otherwise;

(v) any Seller's rights to net operating losses, Tax credits and/or other Tax Attributes for United States federal or state taxes;

(w) any Tax Records relating primarily to the Business and/or the Acquired Assets; provided, that the Sellers shall be permitted to keep copies of all of the foregoing to the extent necessary or required by the Bankruptcy Court;

(x) all tangible personal property of such Seller or any of its respective Subsidiaries relating to the Business, including as set forth on Schedule 1.1(w);

(y) owned vehicles relating to the Business as set forth on Schedule 1.1(x);

(z) all Equity Interests of any of such Seller or its respective direct or indirect Subsidiaries; and

(aa) the items listed on Schedule 1.1(y); and any and all other assets of such Sellers or any of its respective Subsidiaries (other than Excluded Assets and Excluded Liabilities) necessary for the operation of the Acquired Assets or the Business.

**Section 1.2 Excluded Assets.** Notwithstanding anything to the contrary in this Agreement, in no event shall any Seller be deemed to sell, transfer, assign, convey or deliver, and each such Seller shall retain all right, title and interest to, in and under any properties, rights interests or other assets of such Seller other than the Acquired Assets (collectively, the "Excluded Assets"). Without limiting the foregoing, "Excluded Assets" means all of each Seller's right, properties, title and interest in and to the following:

- (a) all of such Seller's rights under this Agreement or any of the ancillary agreements entered into among any of the parties in connection herewith;
- (b) all of such Seller's rights under any Excluded Asset;
- (c) all Contracts to which such Seller is a party other than the Assigned Contracts; provided, however, that Purchaser may purchase rights under any such Contracts, which shall constitute Acquired Assets, to the full extent permitted by law;
- (d) all Contracts for the lease or license of real property to which such Seller is a party, other than the Assumed Leases;
- (e) all Seller Benefit Plans and all assets held with respect to the Seller Benefit Plans;
- (f) all Tax Records of a Seller Tax Group or such Seller or Affiliate thereof, other than any Tax Records listed in Section 1.1(t);
- (g) all current directors and officers insurance policies of such Seller or any of its respective Subsidiaries, and all rights and benefits, proceeds and other amounts payable thereunder, including all insurance recoveries thereunder and rights to assert claims with respect to any such insurance recoveries; and
- (h) all cash or cash equivalents and contents of deposit accounts that constitute proceeds of the DIP Facility, and all cash held in, or other contents of, the Professional Fee Escrow (together, "Excluded Cash")

At any time on or prior to Closing and with prior written notice to Sellers, Purchaser may add or remove any asset or assets of Sellers from the foregoing list of Excluded Assets; provided, that Sellers shall provide notice to the Office of the United States Trustee and any official committee in the Chapter 11 Cases of any asset or assets added or removed as an Excluded Asset during the period after entry of the Sale Order and prior to Closing.

**Section 1.3 Assumption of Certain Liabilities.** On the terms and subject to the conditions set forth herein and in the Sale Order, effective as of the Closing, Purchaser shall irrevocably assume from each Seller (and from and after the Closing pay, perform, discharge, or otherwise satisfy in accordance with their respective terms), and such Seller shall irrevocably transfer, assign, convey, and deliver to Purchaser, only the following Liabilities, without duplication (collectively, the "Assumed Liabilities"):

- (a) all Liabilities (other than any Liability for Taxes) arising out of or relating to the ownership and operation of the Acquired Assets or Assigned Contracts arising at or after the Closing that become due and payable after the Closing (including, for the avoidance of doubt, accounts payable for services performed or goods purchased after the Closing);
- (b) all Liabilities in respect of Transferred Employees arising from and after the Closing (other than with respect to Seller Benefit Plans); and



(c) all cure costs required to be paid as determined by the Bankruptcy Court or agreed to by Purchaser and the non-debtor counterparty to the applicable Assigned Contract pursuant to section 365 of the Bankruptcy Code in connection with the assumption and assignment of the Assigned Contracts (the “Cure Costs”).

**Section 1.4 Excluded Liabilities.** Except for the Assumed Liabilities, Purchaser shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liabilities of, or Action against, any of the Sellers of any kind or nature whatsoever, whether absolute, accrued, contingent or otherwise, liquidated or unliquidated, due or to become due, known or unknown, currently existing or hereafter arising, matured or unmatured, direct or indirect, and however arising, whether existing before or on the Closing Date or arising thereafter as a result of any act, omission, or circumstances taking place prior to the Closing (collectively, the “Excluded Liabilities”).

**Section 1.5 Assumption/Rejection of Certain Contracts.**

(a) Sellers shall provide timely and proper written notice in accordance with the Bidding Procedures Order to all parties to any executory contracts or unexpired leases to which any Seller is a party that are Assigned Contracts of the proposed assumption and assignment of such Assigned Contracts and take all other actions reasonably necessary to cause such Assigned Contracts to be assumed by Sellers and assigned to Purchaser pursuant to section 365 of the Bankruptcy Code at the Closing. As of and conditioned on the occurrence of the Closing, and if Purchaser shall have provided adequate assurance of future performance under Section 365(b)(1)(C) of the Bankruptcy Code with respect to any Assigned Contract, Sellers shall assign or cause to be assigned to Purchaser or an Affiliate of Purchaser designated by Purchaser, as applicable, the Assigned Contracts. At the Closing, Sellers shall, pursuant to the Sale Order and the Assignment and Assumption Agreement, assign to Purchaser (the consideration for which is included in the Purchase Price), all Assigned Contracts pursuant to sections 363 and 365 of the Bankruptcy Code.

(b) Sellers shall transfer and assign, or shall cause to be transferred or assigned, all Assigned Contracts to Purchaser or an Affiliate of Purchaser designated by Purchaser, and Purchaser or such designated Affiliate of Purchaser shall assume all Assigned Contracts, as of the Closing Date pursuant to section 365 of the Bankruptcy Code and the Sale Order. As promptly as practicable following the date hereof, Purchaser and Sellers shall use commercially reasonable efforts to cooperate and determine the Cure Costs under each Assigned Contract, if any, so as to permit the assumption and assignment of each such Assigned Contract pursuant to section 365 of the Bankruptcy Code in connection with the Transactions.

(c) Notwithstanding anything in this Agreement to the contrary, Purchaser may, in its sole and absolute discretion, amend or revise Schedule 1.1(a) setting forth the Assigned Contracts, in order to add any Contract to, or eliminate any Contract from, such Schedule at any time during the period commencing on the date of this Agreement and ending on the date that is two (2) Business Days prior to the Closing. Automatically upon the addition of any Contract to Schedule 1.1(a), it shall be an Assigned Contract for all purposes of this Agreement. Automatically upon the removal of any Contract from Schedule 1.1(a), it shall be an Excluded Asset for all purposes of this Agreement, and no liabilities arising thereunder shall be assumed or borne by the Purchaser unless such liability is otherwise specifically assumed hereunder.

(d) Notwithstanding anything to the contrary in this Agreement, to the extent an Acquired Asset requires any consent or approval from any party, including any Governmental Body (other than, and in addition to, and determined after giving effect to any Order of the Bankruptcy Court, including the Sale Order) in order to permit the sale or transfer to Purchaser of the applicable Seller's right, title and interest in and to such asset, and such consent or approval has not been obtained prior to such time as such right, title and interest is to be transferred by Purchaser hereunder, such asset shall not be transferred to, or accepted by, Purchaser. If any Acquired Asset is deemed not to be assigned pursuant to this Section 1.5(d), the Closing shall nonetheless take place subject to the other terms and conditions set forth herein and, thereafter, Sellers and Purchaser shall each (i) use reasonable best efforts to secure such consents or approvals as promptly as practicable after the Closing and (ii) cooperate in good faith in any lawful and commercially reasonable arrangement reasonably proposed by Purchaser, including subcontracting, licensing, or sublicensing to Purchaser any or all of Sellers' rights and obligations with respect to any such Acquired Asset, under which (A) Purchaser shall obtain (without infringing upon the legal rights of such third party or violating any Law) the economic rights and benefits (net of any direct costs associated with the retention and maintenance of such Acquired Asset incurred by Sellers or their respective Affiliates) with respect to such Acquired Asset with respect to which such consent or approval has not been obtained and (B) Purchaser shall assume and timely discharge all related burdens and obligations with respect to such Acquired Asset. To the extent permitted under Law, the applicable Seller(s) shall hold in trust for and pay to Purchaser promptly upon receipt thereof, such Acquired Asset and all income, proceeds and other monies received by any Seller to the extent related to such Acquired Asset in connection with the arrangements under this Section 1.5(d). Upon satisfying any requisite consent or approval requirement applicable to such Acquired Asset after the Closing, the applicable Seller's right, title and interest in and to such Acquired Asset shall promptly be transferred and assigned to Purchaser in accordance with the terms of this Agreement, the Sale Order and the Bankruptcy Code.

(e) If at any time after the Closing, any Seller or Purchaser becomes aware that such Seller continues to hold any Acquired Asset, including an Assigned Contract, or any asset necessary for the operation of the Business that should have been conveyed in accordance with this Agreement, (i) such Party will promptly notify the other Party, and (ii) such Seller shall use its commercially reasonable efforts to transfer (or cause to be transferred) such Acquired Asset or asset to Purchaser or an Affiliate of Purchaser designated by Purchaser. Following written confirmation from Purchaser, Purchaser will assume any Assumed Liabilities associated with the foregoing upon receipt of such Acquired Assets, in each case, without further consideration being due or paid from Purchaser to such Seller. If at any time after the Closing, Purchaser becomes aware that it holds any Excluded Asset, Purchaser will promptly notify Sellers and use its commercially reasonable efforts to transfer (or cause to be transferred) such Excluded Asset to the applicable Seller, without further consideration being due or paid from any Seller to Purchaser.

(f) Pursuant to and in accordance with the requirements of the Bidding Procedures Order, Sellers shall deliver to Purchaser and file with the Bankruptcy Court a list of all Contracts that are executory contracts or unexpired leases (the "Contracts List") to which a Seller is a party (which list shall include Sellers' good faith estimate of the Cure Cost associated with each such Contract (collectively, the "Estimated Cure Costs")), which shall reflect, if applicable, the amount of Cure Costs that may have been agreed to between Seller and the applicable counterparty(ies) to any Contract; provided, that, if at any time Purchaser designates any Contract that is an executory contract or unexpired lease as an Assigned Contract which is not a Contract set forth on such Contracts List,

or Sellers or Purchaser discover that a Contract should have been listed on the Contracts List, Seller shall promptly upon Purchaser's request therefor provide Sellers' good faith estimate of all Cure Costs pursuant to Section 365 of the Bankruptcy Code with respect to each such Contract.

(g) From and after the date hereof through the Closing, none of the Sellers shall reject or take any action (or fail to take any action that would (or would reasonably be likely to) result in rejection by operation of Law) to reject, repudiate or disclaim any Contract without the prior written consent of Purchaser; provided, that Sellers shall be able to reject any Contract if Sellers have provided written notice to Purchaser or Purchaser's counsel (electronic notice being sufficient) of such rejection (which written notice shall include (in reasonable detail) a description for the basis of such rejection), and Purchaser has not objected to such rejection following the fifth Business Day following Purchaser's receipt of such written notice.

## ARTICLE II CONSIDERATION; PAYMENT; CLOSING

**Section 2.1 Consideration; Payment.** The aggregate consideration (collectively, the "Purchase Price") to be paid by Purchaser for the purchase of the Acquired Assets shall be: (i) a credit bid of amounts owed pursuant to the Prepetition Secured Loan Facility and/or pursuant to the DIP Facility (the "Credit Bid") pursuant to Section 363(k) of the Bankruptcy Code in an amount equal to \$20,000,000.00 (the "Credit Bid Amount"), which shall be allocated in the Purchaser's sole discretion as a dollar-for-dollar credit against the amount of all of the outstanding obligations under the Prepetition Secured Loan Facility and/or DIP Facility as of the Closing Date, (ii) the assumption of Assumed Liabilities, and (iii) payment in full of the Cure Costs.

**Section 2.2 Closing.** The closing of the purchase and sale of the Acquired Assets, the application of the Credit Bid Amount and Purchaser's assumption of the Assumed Liabilities in accordance with this Agreement (the "Closing") will take place remotely by telephone conference and exchange of documents and signatures by electronic mail at 9:00 a.m. Eastern Time on the second Business Day following full satisfaction or due waiver (by the Party entitled to the benefit of such condition) of the closing conditions set forth in Article VI (other than conditions that by their terms or nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing), or at such other place, time and date as the Parties may agree in writing. The date on which the Closing actually occurs is referred to herein as the "Closing Date." For the purposes of this Agreement, from and after the Closing, the Closing shall be deemed to have occurred at 12:01 a.m. Eastern Time on the Closing Date.

**Section 2.3 Closing Deliveries by Sellers.** At or prior to the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser:

(a) a bill of sale and assignment and assumption agreement substantially in the form of Exhibit A attached hereto (the "Assignment and Assumption Agreement") duly executed by each applicable Seller, in each case, with respect to the applicable Acquired Assets;

(b) an IRS Form W-9 executed by each Seller or its regarded owner;

(c) an Intellectual Property Assignment Agreement substantially in the form of Exhibit B attached hereto (the “Intellectual Property Assignment Agreement”) duly executed by each applicable Seller, in each case, with respect to the applicable Transferred Intellectual Property, and such other documents that may be reasonably requested by Purchaser to transfer the Transferred Intellectual Property;

(d) a copy of the Sale Order as entered by the Bankruptcy Court;

(e) copies of all Assigned Contracts (together with all material amendments, supplements or modifications thereto) to the extent not already located at the offices of the Business;

(f) physical possession of all of the Acquired Assets capable of passing by delivery with the intent that title in such Acquired Assets shall pass by and upon delivery;

(g) an officer’s certificate, dated as of the Closing Date, executed by a duly authorized officer of each Seller certifying that the conditions set forth in Section 6.3(a) and Section 6.3(b) have been satisfied; and

(h) all other documents, instruments and writings reasonably requested by Purchaser to be delivered by Seller at or prior to the Closing pursuant to this Agreement.

**Section 2.4 Closing Deliveries by Purchaser.** At the Closing, Purchaser shall deliver, or cause to be delivered, to Sellers:

(a) the Assignment and Assumption Agreement duly executed by Purchaser;

(b) the Intellectual Property Assignment and Assumption Agreement duly executed by Purchaser; and

(c) an officer’s certificate, dated as of the Closing Date, executed by a duly authorized officer of Purchaser certifying that the conditions set forth in Section 6.2(a) and Section 6.2(b) have been satisfied.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLERS**

Except as set forth in the Schedules delivered by Sellers concurrently herewith, each Seller represents and warrants to Purchaser as of the date hereof and solely with respect to each such Seller and the applicable Acquired Assets as follows:

**Section 3.1 Organization and Qualification.** Each Seller is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization. Each Seller is duly licensed or qualified to do business under the Laws of each jurisdiction in which the nature of the business conducted by it makes such licensing or qualification necessary to carry on the Business as now conducted, except where the failure to be so licensed or qualified would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or prevent or materially delay the consummation by such Seller of the Transactions.

**Section 3.2 Authorization of Agreement.** Subject to entry of the Sale Order:

(a) such Seller has all necessary power and authority to execute and deliver this Agreement and the other Transaction Agreements to which such Seller is a party and to perform its obligations hereunder and to consummate the Transactions;

(b) the execution, delivery and performance by such Seller of this Agreement and the other Transaction Agreements to which such Seller is a party, and the consummation by such Seller of the Transactions, have been duly authorized by all requisite corporate action on the part of such Seller and no other organizational proceedings on such Seller's part are necessary to authorize the execution, delivery and performance by such Seller of this Agreement or the other Transaction Agreements and the consummation by it of the Transactions; and

(c) this Agreement and the other Transaction Agreements to which such Seller is a party have been, or will be, duly executed and delivered by such Seller and, assuming due authorization, execution and delivery hereof and thereof by the other parties hereto and thereto, constitutes, or will constitute, legal, valid and binding obligations of such Seller, enforceable against such Seller in accordance with its and their terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at law or in equity (collectively, the "Enforceability Exceptions").

**Section 3.3 Conflicts; Consents.** Assuming that (i) the Bankruptcy Court enters the Sale Order and (ii) the notices, authorizations, approvals, Orders, permits and consents set forth on Schedule 3.3 are made, given or obtained (as applicable), neither the execution and delivery by such Seller of this Agreement or the other Transaction Agreements, nor the consummation by such Seller of the Transactions, nor performance or compliance by such Seller with any of the terms or provisions hereof or thereof, will (A) require any of the Sellers to give any notice to, make any filing with, or obtain any consent from any Person (including any Governmental Authority) in connection with the execution and delivery by such Seller of this Agreement and the other Transaction Agreements to which it is or will be a party or the consummation or the performance of the Transactions, (B) conflict with or violate any provision of such Seller's certificate of incorporation, bylaws, shareholders agreement, or other governing documents, as applicable (C) violate or constitute a breach of or default (with or without notice or lapse of time, or both) under or give rise to a right of termination, modification, or cancelation of any obligation or to the loss of any benefit, any of the terms or provisions of any Acquired Asset or accelerate such Seller's obligations under any such Acquired Asset, or (D) result in the creation of any Encumbrance (other than a Permitted Encumbrance) on any Acquired Assets, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or prevent or materially delay the consummation by such Seller of the Transactions.

**Section 3.4 Title to Assets; Sufficiency of Assets.**

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Sellers have good and valid title to, or, in the case of the Assumed Leases, valid and subsisting leasehold interests in, all Acquired Assets, and with respect to the

Acquired Assets of the Debtor Sellers free and clear of all Encumbrances (other than Permitted Encumbrances). Pursuant to the Sale Order, the Sellers will convey such title to or rights to use, all of the Acquired Assets, and with respect to the Acquired Assets of the Debtor Sellers free and clear of all Encumbrances (other than Permitted Encumbrances).

(b) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Acquired Assets constitute the material properties, assets and rights reasonably necessary, and are sufficient in all material respects, for the conduct of the Acquired Assets and the Business as currently conducted, taking into account the fact that the Excluded Assets shall not be acquired by Purchaser pursuant to the terms of this Agreement.

**Section 3.5 Assigned Contracts.** The Sellers have made available to Purchaser, prior to the date of this Agreement, or will make available to Purchaser promptly following the date of this Agreement, a true, correct and complete copy of each Contract relating to the Business (including, for the avoidance of doubt, all Assigned Contracts and Assumed Leases, collectively, the “Business Contracts”). With respect to each Business Contract, (a) assuming due authorization and delivery by the other party thereto, to the Knowledge of the Sellers, such Business Contract constitutes the valid and legally binding obligation of the Sellers party thereto, enforceable against such Sellers and the counterparty thereto in accordance with its terms and conditions, subject to the Enforceability Exceptions, and (b) except as set forth in Schedule 3.5(b), to the Knowledge of the Sellers, neither such Sellers nor the counterparty thereto is in breach or default under such Business Contract, and to the Knowledge of the Sellers, no event has occurred or condition exists that, with notice or lapse of time, or both, would constitute a default by any Seller or, to the Knowledge of the Sellers, by any other party thereto, except (i) for those defaults that will be cured by the payment of Cure Costs in accordance with the Sale Order or waived in accordance with section 365 of the Bankruptcy Code (or that need not be cured under the Bankruptcy Code to permit the assumption and assignment of such Business Contract that is an Assigned Contract) or (ii) to the extent such breach or default would not reasonably be expected to have a Material Adverse Effect.

**Section 3.6 Real Property.** Schedule 3.6 sets forth a list of each Contract relating to the lease, possession, ownership, use, operation, sublease or license of any real property relating to the Business, as well as the real property location which is the subject thereof (together, the “Leased Real Property”). To the Knowledge of the Sellers, no Person that is not a Seller has any right to possess, use or occupy any of the Leased Real Property except as set forth on Schedule 3.6. The leasehold interests of the Sellers in the Leased Real Property are subject to no Encumbrances other than Permitted Encumbrances.

**Section 3.7 Employees; Seller Benefit Plans.**

(a) No Seller or the Business or the Acquired Assets is party to any collective bargaining agreements or similar labor-related Contracts (“Collective Bargaining Agreements”) with any labor union representing any current or former employees of Sellers or any of their Subsidiaries. There is no written demand from any labor union seeking recognition as the exclusive bargaining representative of any employees of Sellers or any of their Subsidiaries by such Seller or the Business or the Acquired Assets and there is no pending or, to the Knowledge of the Sellers,

threatened, strike, lockout, organized labor slowdown, or concerted work stoppage by any employees of Sellers or any of their Subsidiaries.

(b) To the Knowledge of the Sellers, each Seller and the Business and the Acquired Assets are in compliance with all applicable Laws respecting employment practices and labor, including those related to wages and hours, collective bargaining, unemployment insurance, workers' compensation, immigration, harassment and discrimination, disability rights and benefits, affirmative action, and employee layoffs except where the failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(c) There is no Action pending or, to the Knowledge of the Sellers, threatened against such Seller or any Business or Acquired Asset alleging a violation of any applicable labor or employment Law brought by any current or former employees of Sellers or any of their Subsidiaries before any Governmental Body.

(d) To the Knowledge of the Sellers, each Seller Benefit Plan has been maintained in compliance with its terms and all applicable Laws, except where failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(e) No Seller nor any other entity that, together with such Seller, would be treated as a single employer under Section 414 of the Tax Code (nor any predecessor) sponsors, maintains, administers or contributes to (or has any obligation to contribute to), or has in the past six years sponsored, maintained, administered or contributed to (or had any obligation to contribute to), or has or is reasonably expected to have any direct or indirect liability with respect to, any plan subject to Title IV of ERISA, including any "multiemployer plan" as defined in Section 3(37) of ERISA (a "Multiemployer Plan").

(f) Each Seller Benefit Plan that is intended to be qualified under Section 401(a) of the Tax Code has received a favorable determination or opinion letter from the IRS or has applied to the IRS for such a letter within the applicable remedial amendment period or such period has not expired and no circumstances exist that would reasonably be expected to result in any such letter being revoked or not being issued or reissued.

**Section 3.8 Litigation; Decrees.** Except as set forth in Schedule 3.8 or arising in connection with, or out of, the Chapter 11 Cases (or any actions which are the subject matter thereof), there is no Action or Order pending that (a) would reasonably be expected to be material to (or give rise to any material Liability of Purchaser or be materially adverse to the ownership or use by Purchaser of) the Business, the Acquired Assets or the Assumed Liabilities following Closing, or (b) challenges the validity or enforceability of this Agreement or the Transaction Agreements or that seeks to enjoin, restrain, materially delay, prohibit or otherwise challenge the consummation of the Transactions. Other than the Chapter 11 Cases, no Seller is subject to any outstanding Order that would (i) reasonably be expected to be material to the Business, Acquired Assets or Assumed Liabilities or (ii) prevent or materially delay such Seller's ability to consummate the transactions contemplated by this Agreement or by the Transaction Agreements or perform in any material respect its obligations hereunder or thereunder. There is no Order enjoining any Seller from engaging in or continuing any conduct or practice, or requiring such Seller to take any material action, in connection with the ownership, lease, possession, use or

operation of the Acquired Assets owned or held by such Seller, and such Seller is not, nor are any of its respective Affiliates, subject to any outstanding Order relating to the Business, the Acquired Assets, or Assumed Liabilities.

**Section 3.9 Data Privacy.** Except as set forth on Schedule 3.9, in connection with its collection, storage, transfer, marketing, sales, security use and other processing of any Personal Information, each Seller and its Subsidiaries is in compliance in all material respects with applicable Laws that regulate data privacy, cybersecurity and/or the collection, storage, transfer, marketing, sales security use and other processing of Personal Information (the “Privacy Laws”). No Seller nor any of its Subsidiaries have received written notice from any Governmental Body or other Person alleging violation of any applicable Privacy Laws and there is no Action pending or, to the Sellers’ Knowledge, threatened against any Seller or its Subsidiaries by any Governmental Body or other Person with respect to such matters. Except as set forth on Schedule 3.9, neither the execution, delivery, or performance of this Agreement, nor the consummation of any of the transactions contemplated under this Agreement shall violate any applicable Privacy Laws in any material respects. Each Seller and its Subsidiaries has commercially reasonable physical, technical, organizational and administrative security measures in place that are designed to protect all Personal Information collected or processed by it or on its behalf from and against unauthorized access, loss, modification, destruction, use or disclosure, and all such measures are in accordance with applicable Privacy Laws in all material respects. There has been no unauthorized access, use, modification, or disclosure of any Personal Information in the possession or control of any Seller or its Subsidiaries, or any event that constitutes a security breach or similar term under applicable Law.

**Section 3.10 Environmental Matters.** Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect:

(a) To the Knowledge of the Sellers, the Sellers have been in compliance in all material respects with all Environmental Laws, which compliance has included obtaining, maintaining, and making required filings for issuance or renewal of all Material Permits, licenses and authorizations required under Environmental Laws for the operations of the Sellers and their respective Subsidiaries as currently conducted.

(b) The Sellers have not received, nor is there any pending or, to the Knowledge of the Sellers, any threatened, written notice or Litigation regarding any actual or alleged violation of, or liability or obligation under, Environmental Laws that would reasonably be expected to be material to the Sellers and their respective Subsidiaries taken as a whole.

(c) Except for a Release that would not reasonably be expected to be material to the Sellers and their Subsidiaries taken as a whole, to the Knowledge of the Sellers, there has been no Release of a Hazardous Substance (x) at, on, about, under or from the corporate offices, or (y) arising from or relating to the operations of the Sellers or their respective Subsidiaries.

(d) None of the Sellers or any of their respective Subsidiaries, has manufactured, distributed, treated, stored, arranged for or permitted the disposal of, transported, handled, or exposed any Person to, any Hazardous Substance, except for such action that was taken in



compliance in all material respects with applicable Environmental Law or would not reasonably be expected to be material to the Sellers and their respective Subsidiaries taken as a whole.

(e) None of the Sellers or any of their respective Subsidiaries has contractually assumed, pursuant to any acquisition, divestiture, or merger, any obligation of another Person under any Environmental Law that could reasonably be expected to result in material liability or any other material obligation to the Sellers or their respective Subsidiaries under any applicable Environmental Law.

(f) To the Knowledge of the Sellers, neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will require any investigation or remediation activities or notice to, filing or registration with, or consent of any Governmental Authority or other third party pursuant to any transaction-triggered Environmental Law.

(g) The Sellers have made available to Purchaser, or will make available to Purchaser promptly following the date of this Agreement, copies and results of any material reports, studies, analyses, tests, or monitoring and any other material documents or correspondence in the Sellers' possession relating to environmental conditions or Liabilities under Environmental Law with respect to the operations of the Sellers and their respective Subsidiaries, corporate offices.

**Section 3.11 Taxes.** Except as disclosed on Schedule 3.11 or as would not, individually or in the aggregate, reasonably be expected to (x) result in any material Encumbrances (other than Permitted Encumbrances) on the Acquired Assets or (y) result in any material Tax Liability for Purchaser or any of its Affiliates:

(a) The Sellers have timely filed all material Tax Returns required to be filed by the Sellers with respect to the Acquired Assets or the Business with the appropriate Governmental Authorities (taking into account any extension of time to file granted or to be obtained on behalf of the Sellers); and all such Tax Returns are true, complete, and correct in all material respects;

(b) All material Taxes imposed on the Sellers with respect to the Acquired Assets or the Business that are due and owing (taking into account applicable extensions), whether or not shown to be payable on a Tax Return, have been paid (other than any Taxes (i) the nonpayment of which is permitted or required by the Bankruptcy Code, or (ii) that are being contested in good faith and for which appropriate reserves have been made in accordance with GAAP);

(c) Seller has not agreed to any waiver or extension of any statute of limitations in respect of a material amount of Taxes with respect to the Business and/or the Acquired Assets;

(d) There are no material pending (or threatened) audits, examinations, investigations or other proceedings, in each case for which a Seller has received written notice or to the Knowledge of the Sellers, relating to a material amount of Taxes with respect to the Acquired Assets or the Business;

(e) There are no Encumbrances relating to material Taxes (other than Permitted Encumbrances) on any Acquired Assets;

(f) No claim has been made in writing by a Governmental Authority in a jurisdiction where a Seller does not currently file Tax Returns that such Seller may be subject to Tax by that jurisdiction.

(g) Sellers have not received written notice of any material Tax deficiency outstanding, proposed or assessed, with respect to the Acquired Assets;

(h) None of the Acquired Assets constitutes stock, partnership interests or any other equity interest in any Person for U.S. federal income Tax purposes;

(i) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party (in each case, to the extent related to the Business and/or the Acquired Assets) and all IRS Forms W-2 and Forms 1099 (or any other applicable Tax forms) required with respect thereto have been properly and timely distributed;

(j) Seller is not a party to any Tax allocation, Tax indemnification or Tax sharing agreement;

(k) Seller (i) has not been a member of an affiliated group filing a consolidated federal income Tax Return (other than any group the common parent of which was CTN Holdings or any of its Affiliates), and (ii) does not have liability for the Taxes of any Person under Treasury Regulation 1.1502-6 (or any similar provision of state, local, or non-U.S. law), as a transferee or successor, by Contract (other than a commercial contract entered into in the ordinary course of business the primary purpose of which is unrelated to Tax), or otherwise;

(l) No Seller has undergone an “ownership change” within the meaning of Section 382 of the Tax Code at any time after the date which is three years prior to the Closing;

(m) Seller is not and has never been a party to any “listed transaction” or “reportable transaction”, as defined in Section 6707A(c)(2) of the Tax Code and Treasury Regulation 1.6011-4; and

(n) Seller has, with respect to the Business and/or the Acquired Assets, properly (i) collected and remitted sales and similar Taxes with respect to sales made to its customers, and (ii) for all sales that are exempt from sales and similar Taxes that were made without charging or remitting sales or similar Taxes, received and retained any appropriate Tax exemption certificates and other documentation qualifying such sale as exempt.

### **Section 3.12 Intellectual Property.**

(a) Except as set forth on Schedule 3.12(a), the Sellers and their Subsidiaries solely and exclusively own all right, title and interest in and to the Transferred Intellectual Property, and with respect to the Acquired Assets of the Debtor Sellers free and clear of all Encumbrances (other than Permitted Encumbrances). Except as set forth in Schedule 3.12(a), the Transferred Intellectual Property and Transferred IP Contracts, collectively, constitute all of Intellectual Property Rights necessary to conduct the Business. All Transferred Intellectual Property is subsisting, valid and enforceable.

(b) Schedule 3.12(b) contains a complete and accurate list of all issuances, registrations and applications pertaining to Intellectual Property Rights included in the Transferred Intellectual Property, including, as applicable, the (i) owner (and, with respect to any and all domain name registrations, the applicable registrar), (ii) jurisdiction to which the application or registration applies, (iii) application or registration number and (iv) application or registration date (the “Registered Intellectual Property”). The Sellers and their Subsidiaries have paid all maintenance fees, registration fees, renewal fees or annuity expenses due for payment, and have made all filings required, for maintenance of their respective ownership of, and the validity and enforceability of, the Registered Intellectual Property.

(c) Except as set forth in Schedule 3.12(f), (i) neither the Sellers nor their Subsidiaries have brought any Actions that are pending and unresolved alleging infringement, misappropriation or other violation of any of the Transferred Intellectual Property by any Person and (ii) to the Sellers’ Knowledge, no Person has infringed, misappropriated or otherwise violated, or is infringing, misappropriating or otherwise violating, any Transferred Intellectual Property. Neither the Sellers nor their Subsidiaries have entered into any Contract granting any third party the right to bring infringement actions with respect to any of the Transferred Intellectual Property that will survive the Closing. There is no Action pending or, to the Sellers’ Knowledge, threatened in writing with respect to the Transferred Intellectual Property: (i) contesting the right of the Sellers or their Subsidiaries to use, exercise, sell, license, transfer or dispose of any of the Transferred Intellectual Property; or (ii) challenging the ownership, validity or enforceability of any of the Transferred Intellectual Property. No Transferred Intellectual Property is subject to any outstanding Order or agreement related to or restricting in any manner the use, licensing, assignment, transfer or conveyance thereof by the Sellers or their Subsidiaries.

(d) Except as set forth on Schedule 3.12(a), neither the operation and conduct of the Business, including the Sellers’ and their Subsidiaries’ marketing, license, sale or use of any products or services anywhere in the world in connection with the Business nor the use of the Transferred Intellectual Property has infringed, appropriated or otherwise violated, nor does infringe, misappropriate or violate any Intellectual Property Rights of any other Person. There is no pending or, to Sellers’ Knowledge, threatened Action alleging that the operation of the Business (including the Sellers’ and their Subsidiaries’ marketing, license, sale or use of any products or services anywhere in the world in connection with the Business) or the use of the Transferred Intellectual Property infringes, misappropriates or otherwise violates any Intellectual Property Rights of any Person or violates any Contract with any Person to which any Seller or any of its Subsidiaries is a party or by which it is bound.

(e) Except as set forth on Schedule 3.12(a), the Sellers and their Subsidiaries have the full right, power and authority to sell, assign, transfer and convey all of their right, title and interest in and to the Transferred Intellectual Property to Purchaser, and upon Closing, Purchaser will acquire from the Sellers good and marketable title to the Transferred Intellectual Property, free of Encumbrances (other than Permitted Encumbrances).

(f) Except as set forth in Schedule 3.12(a), the Sellers and their Subsidiaries have secured from each present or former employee, officer, director, agent, outside contractor or consultant of such Sellers or Subsidiary who contributed to the development of any material Transferred Intellectual Property on behalf of the Sellers or the Subsidiaries a written and enforceable

agreement that contain (i) a non-disclosure obligation with respect to the Sellers' and the Subsidiaries' confidential information and (ii) a valid assignment to one or more of the Sellers or its Subsidiaries of all rights, title and interest in and to such Transferred Intellectual Property. The Sellers and their Subsidiaries have taken commercially reasonable and appropriate steps to protect, maintain and preserve the confidentiality of any material trade secrets included in the Transferred Intellectual Property and any disclosure by the Sellers or their respective Subsidiaries of such trade secrets to any Person has been pursuant to the terms of a written agreement with such Person.

(g) All material software owned, licensed, used, or otherwise held for use in the Acquired Assets and the Business is in good working order and condition and is sufficient in all material respects for the purposes for which it is currently used in the Acquired Assets and the Business. Neither Sellers nor any of their Subsidiaries have experienced any material defects in design, workmanship or material in connection with the use of such software that have not been corrected. No such software contains any computer code or any other procedures, routines or mechanisms which may: (i) disrupt, disable, harm or impair in any material way such software's operation, (ii) cause such software to damage or corrupt any data, storage media, programs, equipment or communications of the Sellers or their Subsidiaries, or their respective clients, or otherwise interfere with the Sellers' or their Subsidiaries' operations as currently conducted, or (iii) permit any third party to access any such software to cause disruption, disablement, harm, impairment, damage erasure or corruption (sometimes referred to as "traps", "viruses", "access codes", "back doors" "Trojan horses," "time bombs," "worms," or "drop dead devices"). The Computer Systems used in the Business are sufficient in all material respects for the Sellers' and their Subsidiaries' current needs in the operation of the Business as presently conducted, and there have been no material failures, crashes, security breaches or other adverse events affecting the Computer Systems. The Sellers and the Subsidiaries take commercially reasonable steps to provide for the back-up and recovery of material data and have implemented disaster recovery plans, procedures and facilities and, as applicable, have taken reasonable steps to implement such plans and procedures. The Sellers and their Subsidiaries have taken reasonable actions designed to protect the integrity and security of the Computer Systems and the information stored therein from unauthorized use, access, or modification by any other Person.

### **Section 3.13 Compliance with Laws; Permits.**

(a) Except as a result of, the filing or pendency of the Chapter 11 Cases, the Sellers are in compliance, in all material respects, with all Laws applicable to the Acquired Assets. Except as related to or, as a result of, the filing or pendency of the Chapter 11 Cases, none of the Sellers has received any written notice of, the material violation of any Laws, and to the Knowledge of the Sellers, no event has occurred or circumstance exists that (with or without notice, passage of time, or both) would constitute or result in a failure by any Seller or its Subsidiaries to comply, in any material respect, with any applicable Law. Except as related to, or as a result of, the filing or pendency of the Chapter 11 Cases, no investigation in relation to any actual or alleged material violation of Law by any Seller or its Subsidiaries is pending or, to the Knowledge of the Sellers, threatened, nor has any Seller or any of its Subsidiaries received any written notice from any Governmental Authority indicating an intention to conduct the same.

(b) Except as related to, or as a result of, the filing or pendency of the Chapter 11 Cases, all material Permits required for any Seller and its Subsidiaries to conduct the Business as currently

conducted by the Sellers are valid and in full force and effect (each a “Material Permit”). No Seller has received notice that any event has occurred that, would reasonably be expected to result in the revocation, cancellation, modification, suspension, lapse, limitation, or non-renewal of any Permit or Permits that, individually or in the aggregate, are material to the operation of the Business as currently conducted by the Sellers or that relate to the Acquired Assets. Each Seller and its Subsidiaries have complied in all material respects, and are currently in compliance in all material respects, with all Permits that, individually or in the aggregate, are material to the operation of the Acquired Assets and the Business as currently conducted by the Sellers, and have made all appropriate filings for issuance or renewal of such Permits. No Action is pending or, to the Knowledge of the Sellers, threatened to terminate, revoke, limit, cancel, suspend or modify any Permit or Permits that, individually or in the aggregate, are material to the operation of the Acquired Assets and the Business as currently conducted by the Sellers, and none of the Sellers has received written notice, or to the Knowledge of the Sellers, oral notice from any Governmental Authority that (i) any such Permit will be revoked or not reissued on the same or similar terms, (ii) any application for any new Permit by any Seller or their respective Subsidiaries or renewal of any Permit or Permits that, individually or in the aggregate, are material to the operation of the Acquired Assets and the Business as currently conducted by the Sellers will be denied, or (iii) the Permit holder is in material violation of any Permit or Permits that, individually or in the aggregate, are material to the operation of the Acquired Assets and the Business as currently conducted by the Sellers.

**Section 3.14 No Other Representations or Warranties.** Except for the representations and warranties expressly contained in this Article III (as qualified by the Schedules and in accordance with the express terms and conditions (including limitations and exclusions) of this Agreement) (the “Express Representations”), and without limiting the generality of Section 4.8, Purchaser is not relying on, and will not rely on the accuracy or completeness or any other express or implied representation and warranty with respect to the Sellers or with respect to the information provided by Sellers to Purchaser and acknowledges that neither the Sellers nor any other Person on behalf of Sellers makes on behalf of Sellers any other express or implied representation or warranty with respect to Sellers or with respect to any other information provided by Sellers to Purchaser.

## ARTICLE IV REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Sellers as follows.

**Section 4.1 Organization and Qualification.** Purchaser is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority necessary to carry on its business as it is now being conducted, except (other than with respect to Purchaser’s due formation and valid existence) as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on Purchaser’s ability to consummate the Transactions. Purchaser is duly licensed or qualified to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties owned or used by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not, individually or in the aggregate,

reasonably be expected to have a material adverse effect on Purchaser's ability to consummate the Transactions.

**Section 4.2 Authorization of Agreement.** Purchaser has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the Transactions. The execution, delivery and performance by Purchaser of this Agreement, and the consummation by Purchaser of the Transactions, subject to requisite Bankruptcy Court approvals, have been duly authorized by all requisite corporate or similar organizational action and no other corporate or similar organizational proceedings on its part are necessary to authorize the execution, delivery and performance by Purchaser of this Agreement and the consummation by it of the Transactions. Subject to requisite Bankruptcy Court approvals, this Agreement has been duly executed and delivered by Purchaser and, assuming due authorization, execution and delivery hereof by the other Parties, constitutes a legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except that such enforceability may be limited by the Enforceability Exceptions.

**Section 4.3 Conflicts; Consents.** Assuming that the Sale Order and all other requisite Bankruptcy Court approvals are obtained, neither the execution and delivery by Purchaser of this Agreement or the other Transaction Agreements, nor the consummation by Purchaser of the Transactions, nor performance or compliance by Purchaser with any of the terms or provisions hereof, will (i) require Purchaser to give any notice to, make any filing with, or obtain any consent from any Person (including any Governmental Authority) in connection with the execution and delivery by Purchaser of this Agreement and the other Transaction Agreements to which it is or will be a party or, the consummation or the performance of the Transactions, (ii) conflict with or violate any provision of Purchaser's organizational documents, (iii) violate any Law or Order applicable to Purchaser, (iv) violate or constitute a breach of or default (with or without notice or lapse of time, or both) under or give rise to a right of termination, modification, or cancelation of any obligation or to the loss of any benefit, any of the terms or provisions of any loan or credit agreement or other material Contract to which Purchaser is a party or accelerate Purchaser's obligations under any such Contract, or (v) result in the creation of any Encumbrance (other than a Permitted Encumbrance) on any properties or assets of Purchaser or any of its subsidiaries, except, in the case of clauses (i) and (ii), as would not, individually or in the aggregate, reasonably be expected to prevent or materially impair, alter or delay the ability of Purchaser to consummate the Transactions.

**Section 4.4 Brokers.** Purchaser has no investment banker, broker, finder, or other intermediary which has been retained by or is authorized to act on behalf of Purchaser that might be entitled to any fee or commission in connection with the Transactions for which Seller or any or its Subsidiaries is or will become liable.

**Section 4.5 Solvency.** Purchaser is, and immediately after giving effect to the Transactions Purchaser shall be, solvent and at all times shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debt (including a reasonable estimate of the amount of all contingent Liabilities) and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the Transactions with the intent to hinder, delay or defraud either present or future creditors of Purchaser. In connection with the Transactions,

Purchaser has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

**Section 4.6 No Additional Representations or Warranties.** Except for the representations and warranties contained in this Article IV, Sellers are not relying on, and will not rely on, the accuracy or completeness of any other express or implied representation or warranty with respect to Purchaser or with respect to any other information provided to Sellers by Purchaser and acknowledge that neither Purchaser nor any other Person on behalf of Purchaser makes on behalf of Purchaser makes any other express or implied representation or warranty with respect to Purchaser or with respect to any other information provided to Sellers by Purchaser.

## ARTICLE V COVENANTS AND AGREEMENTS

**Section 5.1 Conduct of Sellers.** Except (w) as required by applicable Law, Order or a Governmental Body, (x) for any required limitations or changes of operations as a result of a bankruptcy filing or otherwise imposed by the Bankruptcy Court or the Bankruptcy Code, (y) as expressly contemplated, required or permitted by this Agreement, or (z) to the extent related to an Excluded Asset or an Excluded Liability, during the period from the date of this Agreement until the Closing (or such earlier date and time on which this Agreement is terminated pursuant to Article VII), unless Purchaser otherwise consents in writing (such consent not to be unreasonably withheld, delayed or conditioned), (a) Sellers shall not sell, lease, transfer or assign to any Person, in a single transaction or series of related transactions, any of the Acquired Assets, other than sales in the ordinary course of the Business, and (b) Sellers shall use their commercially reasonable efforts to (i) maintain and operate the Acquired Assets in a manner consistent with past practice, (ii) maintain the books, accounts and records relating to the Acquired Assets and Assumed Liabilities in accordance with past custom and practice in all material respects, (iii) preserve intact, in all material respects, the business organizations and relationships with third parties of the Acquired Assets and keep available the services of the employees, consultants and agents of the Business in connection with the services such persons provided in respect of the Acquired Assets in the ordinary course of business consistent with past practice, and (iv) comply, in all material respects, with all applicable Laws and Orders applicable to the Acquired Assets and Acquired Liabilities and (v) pay all applicable Taxes as such Taxes become due and payable.

### **Section 5.2 Bankruptcy Actions.**

(a) The Sellers shall seek on an expedited basis, if necessary, entry of the Sale Order and any other necessary orders by the Bankruptcy Court to consummate the Closing, subject to the terms of the Sale Order. Sellers shall consult with Purchaser and its Representatives concerning the Sale Order, any other orders of the Bankruptcy Court relating to the Transactions. Purchaser shall promptly take such actions as are reasonably requested by Sellers to assist in obtaining entry of the Sale Order and a finding of adequate assurance of future performance by Purchaser, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Purchaser under this Agreement and demonstrating that Purchaser is a “good faith” purchaser; provided, however, in no event shall Purchaser or Sellers be required to agree to any amendment of this Agreement.

(b) From the date hereof until the earlier of (i) the termination of this Agreement in accordance with Article VII and (ii) the Closing Date, the Parties shall use their respective commercially reasonable efforts to obtain entry by the Bankruptcy Court of the Sale Order, which shall be in form and substance reasonably satisfactory to Purchaser.

(c) Purchaser shall take actions that are reasonably requested by Sellers to assist in obtaining entry of the Sale Order, including by furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Purchaser under this Agreement. Purchaser, on the one hand, and Sellers, on the other hand, shall consult with one another regarding pleadings which any of them intends to file with the Bankruptcy Court in connection with, or which might reasonably affect, the Bankruptcy Court's entry of the Sale Order. In the event the entry of the Sale Order shall be appealed in relation to this Agreement, Sellers and Purchaser shall use their respective commercially reasonable efforts to defend such appeal.

### **Section 5.3 Alternative Transactions.**

(a) Purchaser shall provide adequate assurance of future performance as required under section 365 of the Bankruptcy Code and the Bidding Procedures Order for the Assigned Contracts. Purchaser agrees that it will take all actions reasonably required to assist in obtaining a Bankruptcy Court finding that there has been a sufficient demonstration of adequate assurance of future performance under the Assigned Contracts, such as furnishing affidavits, non-confidential financial information and other documents or information for filing with the Bankruptcy Court and making Purchaser's Advisors available to testify before the Bankruptcy Court.

(b) Purchaser and Sellers agree, and relevant Bankruptcy Court filings shall reflect, the fact, that the provisions of this Agreement, including this Section 5.3, are reasonable, were a material inducement to Purchaser to enter into this Agreement and are designed to achieve the highest and best price for the Acquired Assets.

(c) The Sellers' obligation to pay the Break-Up Fee and the Expense Reimbursement pursuant to Section 7.3 shall survive termination of this Agreement and shall constitute an administrative expense of the Sellers under section 503(b) of the Bankruptcy Code.

(d) To the extent permitted by the Bidding Procedures, if Sellers receive any interest from a potential purchaser in respect to a potential Alternative Transaction, the Sellers shall consult with the Purchaser, in its capacity as a lender under the DIP Facility and the Prepetition Secured Loan Facility, and, in consultation with Purchaser, shall take into account the projected percentage recovery to the Purchaser, in its capacity as a lender under the DIP Facility and the Prepetition Secured Loan Facility and the certainty of such recovery and any other matters as may be contemplated by the Bidding Procedures.

**Section 5.4 Cure Costs.** Subject to entry of the Sale Order and in connection with the assignment and assumption of the Assigned Contracts, Purchaser shall, on or prior to the Closing, pay the Cure Costs, which Cure Costs shall be the sole responsibility of Purchaser.

### **Section 5.5 Access to Information.**



(a) Sellers shall use commercially reasonable efforts to, prior to the Closing, provide to Purchaser, through its officers, employees and representatives (including their respective legal Advisors and accountants), reasonable access, during normal business hours, and upon reasonable advance written request, to the books and records, including work papers, financial and operating data, schedules, memoranda, Tax Returns, Tax schedules, Tax rulings, and other documents (for the purpose of examining and copying) relating to the Acquired Assets, the Business, the Excluded Assets, the Assumed Liabilities or the Excluded Liabilities with respect to periods or occurrences prior to the Closing Date, and reasonable access, during normal business hours, and upon reasonable advance notice, to employees, officers, Advisors, accountants, offices, buildings, facilities and properties of Sellers (including for the purpose of better understanding the books and records). The information provided pursuant to this Section 5.5 will be used solely for the purpose of consummating the transactions contemplated hereby (including completing legal or regulatory requirements arising from the transactions, such as submitting a financial report regarding Acquired Assets to the SEC).

(b) From the Closing Date through and including the first anniversary of the Closing Date, Purchaser shall grant Sellers and their respective representatives reasonable access to the books and records transferred to Purchaser pursuant to this Agreement during regular business hours and upon reasonable notice for the purpose of allowing Sellers or its successors, or their respective representatives to perform the duties necessary for the liquidation of the Estate. Purchaser shall make one or more of the Transferred Employees available to Sellers to assist in Sellers' wind-down of the Estate provided that such access does not unreasonably interfere with the conduct of the Business by Purchaser

#### **Section 5.6 Employee Matters.**

(a) Prior to Closing, Sellers shall make available to Purchaser for interviews certain employees as requested by Purchaser. Purchaser may extend to any employee employed by the applicable Seller or Subsidiary thereof a written offer of employment, for employment effective as of the Closing Date, in Purchaser's sole discretion ("Transfer Offer"); provided, that Purchaser shall, and shall cause its Affiliates to, comply with all employment Laws, including anti-discrimination Laws, in connection with making such offers of employment. Employees who accept such Transfer Offers and begin employment with Purchaser or an Affiliate of Purchaser shall be collectively referred to herein as "Transferred Employees." For any employee of a Seller that Purchaser makes an offer of employment prior to Closing, Purchaser shall notify such Seller (i) with respect to: each employee to whom it made a Transfer Offer (no later than five Business Days after making such Transfer Offer), and (ii) in a reasonable timeframe (but in any event within five Business Days of receiving a response from the applicable Transferred Employee and no later than immediately prior to the Closing) with respect to whether each such offer has been accepted or rejected. Nothing herein shall be construed as a representation or guarantee by such Seller or any of its Affiliates that any or all employees employed by such Seller will accept the Transfer Offer, or that any Transferred Employee will continue in employment with Purchaser or any of its Affiliates following the Closing for any period of time.

(b) The provisions of this Section 5.6 are for the sole benefit of the Parties and nothing herein, express or implied, is intended or shall be construed to confer upon or give any Person (including for the avoidance of doubt any Transferred Employees), other than the Parties, any legal or equitable or other rights or remedies (with respect to the matters provided for in this Section 5.6

or under or by reason of any provision of this Agreement). Nothing contained herein, express or implied: (i) shall be construed to establish, amend, or modify any benefit plan, program, agreement or arrangement; (ii) shall alter or limit Purchaser's or such Seller's ability to amend, modify or terminate any particular benefit plan, program, agreement or arrangement; or (iii) is intended to confer upon any current or former employee any right to employment or continued employment for any period of time by reason of this Agreement, or any right to a particular term or condition of employment.

#### **Section 5.7 Further Assurances.**

(a) From time to time, as and when requested by any Party and at such requesting Party's expense, any other Party will execute and deliver, or cause to be executed and delivered, all such documents and instruments and will take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to evidence and effectuate the Transactions, including to vest in Purchaser all of each Seller's right, title and interest to the Acquired Assets, free and clear of all Liens other than Permitted Liens and Assumed Liabilities.

(b) From time to time, on or after the Closing Date until the dissolution and liquidation of the Sellers, as and when requested by either Party and at such requesting Party's expense, the other Party will execute and deliver, or cause to be executed and delivered, all such further conveyances, notices, assumptions, assignments, documents and other instruments as such requesting Party may reasonably deem necessary or desirable to evidence and effectuate the Transactions (including for the avoidance of doubt, the transfer and conveyance of any Purchased Assets that may be in the possession of any of the Sellers or their Affiliates to Purchaser).

(c) Without limiting the generality of this Section 5.7, Sellers shall take any and all actions necessary or appropriate to deliver any Equity Interests in or Acquired Assets of any Indirect Subsidiary.

(d) Except as set forth herein and in this Section 5.7 or Section 1.5(d), nothing in this Agreement shall require either Party (and their respective Subsidiaries or Affiliates, as applicable) to make any expenditure or incur any obligation on their own or on behalf of the other Party.

#### **Section 5.8 Intellectual Property Matters.**

(a) From and after the Closing Date, the Sellers shall, and shall cause each of their respective Subsidiaries to, as promptly as practicable, remove any and all Trademarks that (i) are included in the Transferred Intellectual Property, (ii) include the name "Catona", "Make Earth Green Again" or "Aspiration" or (iii) are confusingly similar to any of the foregoing (collectively, the "Business Trademarks") from any and all assets in their respective possession or control (including any publications, signage, corporate letterhead, stationery, business cards, marketing materials or content, internet or other electronic communications vehicles or other materials or as part of the Sellers' or their Subsidiaries' corporate names) and, except as expressly provided for in this Section 5.8, cease and discontinue any and all use of such Business Trademarks.

(b) No Seller nor any of its Subsidiaries shall contest, challenge or oppose, or knowingly authorize or knowingly facilitate any third party to contest, challenge or oppose, the validity, enforceability or ownership rights of Purchaser or any of its Affiliates of any Business Trademarks

or register or seek to register any such Trademarks in any jurisdiction. Any and all goodwill generated by the use of such Business Trademarks, including under this Section 5.8, shall inure solely to the benefit of Purchaser or any of its Affiliates as the respective owner(s) of the applicable Trademark.

### **Section 5.9 Tax Matters.**

(a) Any sales, use, purchase, transfer, franchise, deed, fixed asset, stamp, documentary stamp, use or other Taxes and recording charges (including all related interest, penalties, and additions to any of the foregoing) payable by reason of the sale of the Acquired Assets or the assumption of the Assumed Liabilities under this Agreement or the Transactions (the “Transfer Taxes”) shall be borne and timely paid by the Purchaser and shall be paid to the appropriate taxing authority promptly when due under applicable Law. The Parties will each timely sign and deliver (or cause to be timely signed and delivered) such certificates or forms as may be necessary or appropriate (and will each otherwise cooperate) to establish any available exemption from (or other reduction in) any Transfer Taxes. The Parties shall cooperate in good faith to minimize, to the fullest extent possible under applicable Law, the amount of any such Transfer Taxes.

(b) For U.S. federal and applicable state and local income tax purposes, the Purchase Price (and all other relevant items treated as consideration for U.S. federal income tax purposes) shall be allocated to the Acquired Assets (the “Asset Amount”). The Asset Amount shall be allocated consistent with the methodology set forth on Section 1060 of the Tax Code and applicable Treasury Regulations. Purchaser shall prepare a statement setting forth such allocation of the Asset Amount (the “Purchase Price Allocation Statement”). Purchaser shall deliver the Purchase Price Allocation Statement to Seller within 45 days after the Closing Date (or such longer period as they may agree to in writing). The Sellers shall have thirty days after receipt of the Purchase Price Allocation Statement within which to review and comment on the Purchase Price Allocation Statement, and Purchaser shall consider in good faith any reasonable comments made by the Sellers. The Purchase Price Allocation, as revised in accordance with this Section 5.9(b) (if applicable), shall be binding upon the Parties hereto for all Tax purposes unless otherwise required by applicable Law. The Parties hereto shall report for Tax purposes, act for Tax purposes, and file Tax Returns, in all respects consistent with the Purchase Price Allocation.

(i) In the case of any Straddle Period, for all applicable purposes of this Agreement, the amount of any Taxes based on or measured by income, gross or net sales, receipts, transactions, proceeds, profits, payroll or similar items allocable to the for the Pre-Closing Tax Period of such Straddle Period shall be determined based on an interim closing of the books as of the end of the day on the Closing Date and the amount of other Taxes (including but not limited to all real property taxes, personal property taxes and similar *ad valorem* obligations levied with respect to the Acquired Assets) for allocable to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period; provided, that exemptions, allowances or deductions that are calculated on an annual basis (including depreciation and amortization deductions), other than with respect to property placed in service after the Closing Date, shall be allocated on a per diem basis.

(ii) The Sellers shall be liable for, and shall pay, and Purchaser shall not assume, pay or have any liability with respect to: (i) any Taxes imposed on or with respect to the Sellers (or any Taxes for which any Seller or any of their Affiliates are otherwise liable, including as a transferee, successor, by contract or otherwise pursuant to applicable Law, or arising as a result of being or having been a member of any consolidated, combined, unitary or other group or being or having included or required to be included in any Tax Return related thereto), (ii) any Taxes imposed on or with respect to the Business or the Acquired Assets and that are attributable to any Pre-Closing Tax Period, determined, in the case of any Straddle Period, pursuant to this Section 5.9(b) and (iii) any Taxes in respect of the Excluded Assets.

(c) Purchaser and the Sellers shall cooperate fully with each other, as and to the extent reasonably requested by the other Party, in connection with tax matters related to the Business and/or Acquired Assets, including the preparation, filing and execution of Tax Returns, and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other Party's reasonable request) the provision of records and information that are reasonably relevant to any such audit, litigation or other proceeding during normal business hours and making employees available (as reasonably requested) on a mutually convenient basis to provide additional information and explanation of any materials provided hereunder.

(d) The Parties agree to cooperate in good faith to minimize any Tax costs to Purchaser, CTN Holdings and their respective direct and indirect subsidiaries in connection with the transactions contemplated by this Agreement, which the Parties acknowledge may include structuring the Transaction as a transaction that qualifies as a "reorganization" within the meaning of Section 368(a) of the Tax Code.

## ARTICLE VI CONDITIONS TO CLOSING

**Section 6.1 Conditions Precedent to the Obligations of Purchaser and Sellers.** The respective obligations of each Party to consummate the Closing are subject to the satisfaction (or to the extent permitted by Law, written waiver by Sellers and Purchaser) on or prior to the Closing Date, of each of the following conditions:

(a) no court of competent jurisdiction shall have issued, enacted, entered, promulgated or enforced any Order (including any temporary restraining Order or preliminary or permanent injunction) restraining, enjoining or otherwise prohibiting the Transactions that is still in effect;

(b) there shall not have occurred any Event of Default unless cured or waived by the Collateral Agent under the DIP Facility and the DIP Facility shall not have been terminated; and

(c) the Bankruptcy Court shall have entered the Sale Order which shall be in a form and substance reasonably acceptable to Purchaser, shall approve the Credit Bid pursuant to Section 363(k) of the Bankruptcy Code, and shall not have been stayed, reversed or vacated since the date of this Agreement.

**Section 6.2 Conditions Precedent to the Obligations of Purchaser.** The obligations of Purchaser to consummate the Closing are subject to the satisfaction (or to the extent permitted by Law, written waiver by Purchaser in its sole discretion), at the Closing, of each of the following conditions:

(a) the Bankruptcy Court shall have entered the Sale Order by May 21, 2025, which and shall be (i) in full force and effect, (ii) not subject to appeal, and (iii) neither modified nor vacated since the date of this Agreement;

(b) (i) the representations and warranties made by Sellers in Article III (in each case, other than the Seller Fundamental Representations), disregarding for these purposes any excepting in such representations and warranties relating to materiality or a Material Adverse Effect, shall be true and correct in all respects as of the Closing Date as though made on and as of the Closing Date, except (A) for those representations and warranties which address matters only as of an earlier date in which case such representation or warranty shall have been true and correct as of such earlier date and (B) to the extent the failure of such representations and warranties to be true and correct as of such dates would not reasonably be expected to have a Material Adverse Effect and (ii) the representations and warranties set forth in Section 3.1 (Organization and Qualification), Section 3.2 (Authorization of Agreement), Section 3.3 (Conflicts; Consents), and Section 3.14 (Brokers) (collectively, the “Seller Fundamental Representations”) shall be true and correct in all respects as of the Closing Date as though made on and as of the Closing Date (except for those representations and warranties which address matters only as of an earlier date in which case such representation or warranty shall have been true and correct as of such earlier date);

(c) none of the Chapter 11 Cases shall have been converted to a case under Chapter 7 of the Bankruptcy Code nor shall a trustee or examiner with expanded powers have been appointed with respect to the Sellers;

(d) the Chapter 11 Cases shall not have been dismissed;

(e) (i) the DIP Facility lenders shall have not acquired all or a material part of the Acquired Assets as a result of the exercise of remedies under the DIP Facility and (ii) the DIP Facility shall not have been terminated;

(f) Sellers shall have performed and complied in all material respects with the covenants required to be performed or complied with by Sellers under this Agreement on or prior to the Closing Date prior to the Closing Date; and

(g) Sellers shall have delivered, or caused to be delivered, to Purchaser all of the Acquired Assets as well as those items set forth in Section 2.3.

(h) Purchaser and/or any Affiliate of Purchaser, in its capacity as an agent under the DIP Facility, shall obtain a release of any potential claims against it as provided in the DIP Order.

(i) The TREES Agreement and the Native Agreement shall each be Assigned Contracts in a form and substance satisfactory to Purchaser in its sole and absolute discretion.

**Section 6.3 Conditions Precedent to the Obligations of Sellers.** The obligations of Sellers to consummate the Closing are subject to the satisfaction (or to the extent permitted by Law, written waiver by Sellers in their sole discretion), at the Closing, of each of the following conditions:

(a) (i) the representations and warranties made by Purchaser in Article IV (in each case, other than the Purchaser Fundamental Representations), disregarding for these purposes any excepting in such representations and warranties relating to materiality, shall be true and correct in all respects as of the Closing Date as though made on and as of the Closing Date, except (A) for those representations and warranties which address matters only as of an earlier date in which case such representation or warranty shall have been true and correct as of such earlier date and (B) to the extent the failure of such representations and warranties to be true and correct as of such dates would not reasonably be expected to materially and adversely affect Purchaser's ability to consummate the Transactions and (ii) the representations and warranties set forth in Section 4.1 (Organization and Qualification), Section 4.2 (Authorization of Agreement), and Section 4.3 (Conflicts; Consent), (collectively, the "Purchaser Fundamental Representations") shall be true and correct in all respects as of the Closing Date as though made on and as of the Closing Date (except for those representations and warranties which address matters only as of an earlier date in which case such representation or warranty shall have been true and correct as of such earlier date);

(b) Seller shall have received from Purchaser evidence of the payoff with respect to any portion of the obligations under the DIP Facility and Prepetition Secured Loan Facility that are paid off by the Credit Bid Amount;

(c) Purchaser shall have performed and complied in all material respects with the covenants required to be performed or complied with by it under this Agreement on or prior to the Closing Date prior to the Closing Date; and

(d) Purchaser shall have delivered, or caused to be delivered, to Sellers all of the items set forth in Section 2.4.

**Section 6.4 Waiver of Conditions.** Upon the occurrence of the Closing, any condition set forth in this Article VI that was not satisfied as of the Closing will be deemed to have been waived for all purposes by the Party having the benefit of such condition as of and after the Closing. None of Purchaser or Sellers may rely on the failure of any condition set forth in this Article VI, as applicable, to be satisfied if such failure was caused by such Party's failure to perform any of its obligations under this Agreement, including its obligation to use its reasonable best efforts to consummate the Transactions as required under this Agreement.

## **ARTICLE VII TERMINATION**

**Section 7.1 Termination of Agreement.** This Agreement may be terminated at any time prior to the Closing only in accordance with this Section 7.1, and in no other manner:

(a) by the mutual written consent of Sellers and Purchaser;

(b) by written notice of either Purchaser or Sellers, upon the issuance of an Order by a court of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Closing or declaring unlawful the Transactions, and such Order having become final, binding and non-appealable; provided, that no Party may terminate this Agreement under this Section 7.1(b) if the issuance of such Order was caused by such Party's failure to perform any of its obligations under this Agreement;

(c) by written notice of either Purchaser or Sellers, if the Closing shall not have occurred on or before May 27, 2025 (the "Outside Date"); provided, that a Party shall not be permitted to terminate this Agreement pursuant to this Section 7.1(c) if the failure of the Closing to have occurred by the Outside Date was caused by such Party's failure to perform any of its obligations under this Agreement;

(d) by written notice from Sellers to Purchaser, upon a breach of any covenant or agreement on the part of Purchaser, or if any representation or warranty of Purchaser will have become untrue, in each case, such that the conditions set forth in Section 6.2(a) or Section 6.2(b) would not be satisfied, including a breach of Purchaser's obligation to consummate the Closing; provided, that (i) if such breach is curable by Purchaser, then Sellers may not terminate this Agreement under this Section 7.1(d) unless such breach has not been cured by the date which is the earlier of (A) two Business Days prior to the Outside Date and (B) ten days after Sellers notify Purchaser of such breach and (ii) the right to terminate this Agreement pursuant to this Section 7.1(d) will not be available to Sellers at any time that Sellers are in material breach of, any covenant, representation or warranty hereunder;

(e) by written notice from Purchaser to Sellers, upon a material breach of any covenant or agreement on the part of Sellers, or if any material representation or warranty of Sellers will have become untrue, in each case, such that the conditions set forth in Section 6.3(a) or Section 6.3(b) would not be satisfied; provided, that (i) if such breach is curable by Sellers then Purchaser may not terminate this Agreement under this Section 7.1(e) unless such breach has not been cured by the date which is the earlier of (A) two Business Days prior to the Outside Date and (B) ten days after Purchaser notifies Sellers of such breach and (ii) the right to terminate this Agreement pursuant to this Section 7.1(e) will not be available to Purchaser at any time that Purchaser is in material breach of, any covenant, representation or warranty hereunder;

(f) by written notice from Sellers to Purchaser, if all of the conditions set forth in Section 6.1 and Section 6.2 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) or waived and Purchaser fails to complete the Closing at the time required by Section 2.3;

(g) by Purchaser, if following entry by the Bankruptcy Court of the Sale Order, the Sale Order is voided, reversed or vacated or is subject to a stay;

(h) by Purchaser, if, the Sale Order shall not have been entered by the Bankruptcy Court by May 21, 2025; or

(i) by Purchaser, if, any of the Chapter 11 Cases shall have been converted to a case under Chapter 7 of the Bankruptcy Code or a trustee or examiner with expanded powers shall have been appointed with respect to the Sellers.

**Section 7.2 Effect of Termination.** In the event of the valid termination of this Agreement pursuant to Section 7.1, this Agreement shall forthwith become null and void and, except in the case of fraud, no Party or any of its partners, officers, directors, managers or equityholders will have any Liability under this Agreement; provided, that this Section 7.2 and Article VIII shall survive any such termination; provided, further, that no termination will relieve any Party from any Liability for damages, losses, costs or expenses resulting from any Willful Breach of this Agreement prior to the date of such termination (which, for the avoidance of doubt, will be deemed to include any failure by any Party to consummate the Closing if and when it is obligated to do so hereunder).

**Section 7.3 Termination Payment.** In consideration of the substantial commitment of time and resources by the Purchaser to the preparation, negotiation, execution and performance of this Agreement, in the event that any Seller consummates an Alternative Transaction, the Sellers at the closing of such Alternative Transaction shall pay to the Purchaser the amount of \$600,000.00 (the “Break-Up Fee”) and all reasonable and documented costs and out of pocket expenses incurred by the Purchaser in connection with this Agreement and the transactions contemplated hereby in an amount not to exceed \$400,000.00 (the “Expense Reimbursement”). Pursuant to the Bidding Procedures Order, the Break-Up Fee and Expense Reimbursement shall have first priority administrative expense claim status without the need for any further application or motion of the Sellers or the Purchaser, or the entry of any further order of the Bankruptcy Court. The parties agree that the amount of actual damages which the Purchaser would suffer as a result of a termination of this Agreement as contemplated by this Section 7.3 would be extremely difficult to determine and have agreed that the amount of the Break-Up Fee and Expense Reimbursement is a reasonable estimate of the Purchaser’s damages and is intended to constitute a fixed amount of liquidated damages in lieu of other remedies available to the Purchaser and is not intended to constitute a penalty.

## **ARTICLE VIII MISCELLANEOUS**

**Section 8.1 Non-Survival of Representations and Warranties and Certain Covenants; Certain Waivers.** Each of the representations and warranties and the covenants and agreements (to the extent such covenant or agreement contemplates or requires performance by such Party prior to the Closing) of the Parties set forth in this Agreement or in any other document contemplated hereby will terminate effective immediately as of the Closing such that no claim for breach of any such representation, warranty, covenant or agreement, detrimental reliance or other right or remedy (whether in contract, in tort or at law or in equity) may be brought with respect thereto after the Closing. Each covenant and agreement that explicitly contemplates performance after the Closing, will, (a) if time for performance of such post-Closing covenant is specified in this Agreement, survive for 90 days following the expiration of such time, and (b) if time for performance of such post-Closing covenant is not specified in this Agreement, survive for the applicable statute of limitations with respect to a claims for any failure to perform such post-Closing covenant; provided, that if a written notice of any claim with respect to any post-Closing covenant is given prior to the expiration thereof then such post-Closing covenant will survive until,



but only for purposes of, the resolution of such claim by final, non-appealable judgment or settlement.

**Section 8.2 Expenses.** Whether or not the Closing takes place, except as otherwise provided in the Sale Order or DIP Order, all fees, costs and expenses (including fees, costs and expenses of Advisors) incurred in connection with the negotiation of this Agreement, the Transaction Agreements and the other agreements contemplated hereby and thereby, the performance of this Agreement, the Transaction Agreements and the other agreements contemplated hereby and thereby and the consummation of the Transactions will be paid by the Party incurring such fees, costs and expenses.

**Section 8.3 Notices.** Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail (having obtained electronic delivery confirmation thereof), if delivered by 5:00 P.M. local time of the recipient on a Business Day and otherwise on the following Business Day, (c) the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service or (d) the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

if to Purchaser, to:

Inherent Group, LP  
450 Lexington Avenue, #4503  
New York, NY 10163  
Attention: Michael Ellis  
Email: admin@inherentgroup.com

with a copy (which shall not constitute notice) to:

Robert J. Dehney, Esquire  
Morris, Nichols, Arsht & Tunnell LLP  
1201 North Market Street, 16th Flr.  
P.O. Box 1347  
Wilmington, DE 19899-1347  
Email: RDehney@morrisnichols.com

if to any Seller, to:

548 Market Street  
PMB 72015  
San Francisco, CA 94101-5401  
Attention: Robert Z. Lee  
Email: rob@catona.com

with a copy (which shall not constitute notice) to:

Miles Staglik  
Chief Restructuring Officer  
13355 Noel Road, Suite 2005  
Dallas, TX 75240  
CTN Holdings, Inc.  
Email: miles.staglik@cr3partners.com

and

David W. Gaffey, Esq.  
Whiteford, Taylor & Preston, LLP  
3190 Fairview Park Drive, Suite 800  
Falls Church, VA | 22042  
Email: dgaffey@whitefordlaw.com

**Section 8.4 Binding Effect; Purchaser Designee.**

(a) This Agreement shall be binding upon Purchaser and, subject to the entry and terms of the Sale Order, Sellers, and shall inure to the benefit of and be so binding on the Parties and their respective successors and permitted assigns, including any trustee or estate representative appointed in the Chapter 11 Cases or any successor Chapter 7 cases; provided, that neither this Agreement nor any of the rights or obligations hereunder may be assigned or delegated without the prior written consent of each other Party hereto, and any attempted assignment or delegation without such prior written consent shall be null and void. Purchaser may, with the prior written consent of the Sellers, assign its rights and obligations under this Agreement to the Successful Bidder.

(b) In furtherance of the foregoing, Purchaser may, without the consent of Sellers, designate, in accordance with the terms of this paragraph and effective as of the Closing, one or more Permitted Transferee(s) to acquire all, or any portion of, the Acquired Assets and assume all or any portion of the Assumed Liabilities or to be jointly obligated to pay all or any portion of the Purchase Price (any Person that shall be properly designated by Purchaser in accordance with this Section 8.4(b), a “Purchaser Designee”); provided, that for the avoidance of doubt, any such assignment of the payment obligation shall not relieve Purchaser of its obligation to deliver the Purchase Price under Section 2.1. The above designation may be made by Purchaser by written notice to Sellers at any time prior to the Closing Date. The Parties agree to modify any Closing deliverables in accordance with the foregoing designation. For the avoidance of doubt, and notwithstanding anything to the contrary herein, all Purchaser Designees appointed in accordance with this Section 8.4 shall be included in the definition of “Purchaser” for all relevant purposes under this Agreement and all such Purchaser Designees shall be deemed to have made all of the covenants, representations and warranties of Purchaser set forth in this Agreement (as modified pursuant to this Section 8.4) to the extent relevant to such Purchaser Designee.

**Section 8.5 Amendment and Waiver.** Any provision of this Agreement or the Schedules or exhibits hereto may be (a) amended only in a writing executed by Purchaser and each of the Sellers or (b) waived only in a writing executed by the Party (or Parties) against which

enforcement of such waiver is sought. No waiver of any provision hereunder or any breach or default thereof will extend to or affect in any way any other provision or prior or subsequent breach or default. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**Section 8.6 Third Party Beneficiaries.** This Agreement will inure to the benefit of and be binding upon Purchaser, Sellers and their respective successors and permitted assigns. Except as otherwise expressly provided herein, nothing expressed or referred to in this Agreement will be construed to give any Person other than (a) for purposes of Section 8.7, the Non-Recourse Persons (as defined below) and (b) the Parties hereto and such permitted assigns, any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

**Section 8.7 Non-Recourse.** This Agreement may only be enforced against, and any Action based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as Parties to this Agreement and then only with respect to the specific obligations set forth herein with respect to such Party. Except to the extent named as a Party to this Agreement, and then only to the extent of the specific obligations of such parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate, agent or Advisor of any Party (or any past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate, agent or Advisor or any of the foregoing) (each, a “Non-Recourse Person”) will have any Liability (whether in contract, tort, equity or otherwise) for any of the representations, warranties, covenants, agreements or other obligations or Liabilities of any of the Parties to this Agreement, any Transaction Agreement or for any Agreement Dispute (as defined below) and (ii) in no event shall any Party have any shared or vicarious liability, or otherwise be the subject of legal or equitable claims, for the actions, omissions or fraud (including through equitable claims (such as unjust enrichment) not requiring proof of wrongdoing committed by the subject of such claims) of any other Person, and each of such Non-Recourse Persons are intended third party beneficiaries of this Section 8.7 and shall be entitled to enforce this Section 8.7 as if a party directly hereto.

**Section 8.8 Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, provided, that if any provision of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be prohibited by, void, unenforceable or invalid under applicable Law in any applicable jurisdiction, such provision will be ineffective only to the extent of such prohibition or invalidity in such jurisdiction, and the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected impaired or invalidated as long as the economic or legal substance of the Transactions is not hereby affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

**Section 8.9 Construction.** Purchaser, on the one hand, and the Sellers, on the other hand, participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as jointly

drafted by Purchaser, on the one hand, and the Sellers, on the other hand, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. Without limitation as to the foregoing, no rule of strict construction construing ambiguities against the draftsperson will be applied against any Person with respect to this Agreement.

**Section 8.10 Complete Agreement.** This Agreement, together with the Transaction Agreements and any other agreements expressly referred to herein or therein, contains the entire agreement of the Parties respecting the sale and purchase of the Business, the Acquired Assets and the Assumed Liabilities and the Transactions and supersedes all prior agreements among the Parties respecting the sale and purchase of the Business, the Acquired Assets and the Assumed Liabilities and the Transactions. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement or the Transaction Agreements, the terms and provisions of the execution version of this Agreement or Transaction Agreements (as applicable) will control and prior drafts of this Agreement and the Transaction Agreements (as applicable) and the documents referenced herein and therein will not be considered or analyzed for any purpose (including in support of parol evidence proffered by any Person in connection with this Agreement), will be deemed not to provide any evidence as to the meaning of the provisions hereof or the intent of the Parties with respect hereto and will be deemed joint work product of the Parties.

**Section 8.11 Specific Performance.** The Parties agree that irreparable damage, for which monetary relief, even if available, would not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, including if any of the Parties fails to take any action required of it hereunder to consummate the Transactions. It is accordingly agreed that (a) the Parties will be entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the courts described in Section 8.12 without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of the Transactions and without that right, neither Sellers nor Purchaser would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 8.11 will not be required to provide any bond or other security in connection with any such Order. The remedies available to the Parties pursuant to this Section 8.11 will be in addition to any other remedy to which they are entitled at law or in equity, and the election to pursue an injunction or specific performance will not restrict, impair or otherwise limit any Party from seeking to collect or collecting damages. If, prior to the Outside Date, any Party brings any action, in each case in accordance with Section 8.12, to enforce specifically the performance of the terms and provisions hereof by any other Party, the Outside Date will automatically be extended (i) for the period during which such action is pending, plus 10 Business Days or (ii) by such other time period established by the court presiding over such action, as the case may be.

**Section 8.12 Jurisdiction and Exclusive Venue.** Each of the Parties irrevocably agrees that any Action of any kind whatsoever, including a counterclaim, cross-claim, or defense, regardless of the legal theory under which any Liability or obligation may be sought to be imposed,

whether sounding in contract or in tort or under statute, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of, or related to this Agreement or the negotiation, execution, or performance of this Agreement, the Transaction Agreements or the Transactions and any questions concerning the construction, interpretation, validity and enforceability of this Agreement (each, an “Agreement Dispute”) brought by any other Party or its successors or assigns will be brought and determined only in (a) the Bankruptcy Court, any federal court to which an appeal from the Bankruptcy Court may be validly taken, and the District Court for the District of Delaware to review proposed findings of fact and conclusions of law from the Bankruptcy Court or (b) if the Bankruptcy Court is unwilling or unable to hear such Action, in the Court of Chancery of the State of Delaware (or if such court lacks jurisdiction, any other state or federal court sitting in the State of Delaware) (the “Chosen Courts”), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the Chosen Courts for itself and with respect to its property, generally and unconditionally, with regard to any Agreement Dispute. Each of the Parties agrees not to commence any Agreement Dispute except in the Chosen Courts, other than Actions in any court of competent jurisdiction to enforce any Order, decree or award rendered by any Chosen Courts, and no Party will file a motion to dismiss any Agreement Dispute filed in a Chosen Court on any jurisdictional or venue-related grounds, including the doctrine of *forum non-conveniens*. The Parties irrevocably agree that venue would be proper in any of the Chosen Court, and hereby irrevocably waive any objection that any such court is an improper or inconvenient forum for the resolution of any Agreement Dispute. Each of the Parties further irrevocably and unconditionally consents to service of process in the manner provided for notices in Section 8.3. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by Law.

### **Section 8.13 Governing Law; Waiver of Jury Trial.**

(a) Except to the extent the mandatory provisions of the Bankruptcy Code apply, this Agreement and any Agreement Dispute will be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY AGREEMENT DISPUTE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY AGREEMENT DISPUTE. EACH OF THE PARTIES AGREES AND CONSENTS THAT ANY SUCH AGREEMENT DISPUTE WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE IRREVOCABLE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY (I) CERTIFIES THAT NO ADVISOR OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY AGREEMENT DISPUTE, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.13(B).

**Section 8.14 Counterparts and PDF.** This Agreement, each Transaction Agreement and any other agreements referred to herein or therein, and any amendments hereto or thereto, may be executed in multiple counterparts, any one of which need not contain the signature of more than one Party hereto or thereto, but all such counterparts taken together will constitute one and the same instrument. This Agreement and any Transaction Agreement shall become effective when each party hereto or thereto (as applicable) has received a counterparty of such agreement signed by the other party. Any counterpart, to the extent signed and delivered by means of a .PDF or other electronic transmission, will be treated in all manner and respects as an original Contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. No party hereto or to any such Contract will raise the use of a .PDF or other electronic transmission to deliver a signature or the fact that any signature or Contract was transmitted or communicated through the use of PDF or other electronic transmission as a defense to the formation of a Contract and each such party forever waives any such defense.

**Section 8.15 Publicity.** Neither Sellers nor Purchaser shall issue any press release or public announcement concerning this Agreement, any Transaction Agreement or the Transactions without obtaining the prior written approval of (x) in the case of an issuance by Sellers, Purchaser, and (y) in the case of an issuance by Purchaser, CTN Holdings, which approval will not be unreasonably conditioned, withheld or delayed, unless, in the reasonable judgment of Purchaser or Sellers, disclosure is otherwise required by applicable Law or by the Bankruptcy Court with respect to filings to be made with the Bankruptcy Court in connection with this Agreement or the Transactions or by the applicable rules of any stock exchange on which Purchaser or Sellers (or their respective Affiliates) lists securities; provided, that the Party intending to make such release shall use its reasonable efforts consistent with such applicable Law or Bankruptcy Court requirement to consult with the other Party with respect to the text thereof. Sellers and Purchaser shall use reasonable efforts to resolve any objections to any press release or public announcement within 24 hours after the request.

**Section 8.16 Bulk Sales Laws.** The Parties intend that pursuant to section 363(f) of the Bankruptcy Code, the transfer of the Acquired Assets of the Debtor Sellers shall be free and clear of any Encumbrances in the Acquired Assets including any Encumbrances or claims arising out of the bulk transfer laws except Permitted Encumbrances, and the Parties shall take such steps as may be necessary or appropriate to so provide in the Sale Order. In furtherance of the foregoing, each Party hereby waives compliance by the Parties with the “bulk sales,” “bulk transfers” or similar Laws and all other similar Laws in all applicable jurisdictions in respect of the Transactions.

**Section 8.17 Fiduciary Obligations.** Nothing in this Agreement, or any document related to the Transactions, will require any Seller or any of its managers, officers or members, in each case, in their capacity as such, to take any action, or to refrain from taking any action, to the extent inconsistent with their fiduciary obligations or applicable Law. For the avoidance of doubt, Sellers retain the right to pursue any transaction or restructuring strategy that, in Sellers’ business judgment, will maximize the value of its estates.

**Section 8.18 Sellers’ Representative.** Each Party agrees that CTN Holdings has the power and authority to unilaterally act on behalf of all or any of the Sellers for the purposes specified under this Agreement, any Transaction Agreement, and otherwise with respect to the Transactions. Such power will include the power to make all decisions, actions, consents and

determinations on behalf of the Sellers, including to make any waiver of any closing condition or agree to any amendment to this Agreement. No Seller shall have any right to object, dissent, protest or otherwise contest the same. Purchaser shall be entitled to rely on any action or omission taken by CTN Holdings on behalf of the Sellers.

**Section 8.19 Schedules.** The Parties agree that any reference in a particular Section of the Schedules shall only be deemed to be an exception to (or, as applicable, a disclosure for purposes of) (i) the representations and warranties (or covenants, as applicable) of the relevant party that are contained in the corresponding Section of this Agreement and (ii) any other representations and warranties of such party that is contained in this Agreement, but only if the relevance of that reference as an exception to (or a disclosure for purposes of) such representations and warranties would be readily apparent to a reasonable person who has read that reference and such representations and warranties, without any independent knowledge on the part of the reader regarding the matter(s) so disclosed. Notwithstanding anything in this Agreement to the contrary, Purchaser and Seller may amend or revise any Schedule in order to correct any omission or improper inclusion of any item in such Schedule at any time prior to that date that is two (2) Business Days prior to the Closing.

**Section 8.20 Approval of the Bankruptcy Court.** Notwithstanding anything herein to the contrary, any and all rights, interests or obligations under this Agreement are subject to the approval of the Bankruptcy Court.

## ARTICLE IX ADDITIONAL DEFINITIONS AND INTERPRETIVE MATTERS

**Section 9.1 Certain Definitions.** A defined term has its defined meaning throughout this Agreement and in each Exhibit and Schedule to this Agreement, regardless of whether it appears before or after the place where it is defined. As used in this Agreement, the following terms have the meanings specified below:

“Accounts Receivable” means, (a) the trade accounts receivable, and other rights to payment, of Sellers and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable in respect of goods shipped or products sold or services rendered by Sellers, (b) the other accounts or notes receivable of Sellers and the full benefit of all security for such accounts or notes, and (c) any claim, cause of action, remedy or other right related to any of the foregoing, in each case, which are related to the Business and/or the Acquired Assets.

“Acquired Assets” shall have the meaning set forth in Section 1.1.

“Action” means any action, suit, litigation, arbitration, mediation, audit, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding) or prosecution of any kind whatsoever whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, commenced, brought, conducted or heard by or before any Governmental Body.

“Advisors” means, with respect to any Person as of any relevant time, any directors, officers, employees, investment bankers, financial advisors, accountants, agents, attorneys, consultants, or other representatives of such Person.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management, affairs and policies of such Person, whether through ownership of voting securities, by Contract or otherwise.

“Agreement” shall have the meaning set forth in the Preamble.

“Agreement Dispute” shall have the meaning set forth in Section 8.12.

“Alternative Transaction” means any sale or disposition of all or a material portion of the Acquired Assets (including by way of chapter 11 plan), to any Person other than Purchaser, any Purchaser Designee or any Affiliate of Purchaser.

“Asset Amount” shall have the meaning set forth in Section 5.9(b).

“Assigned Contracts” shall have the meaning set forth in Section 1.1(a).

“Assignment and Assumption Agreement” shall have the meaning set forth in Section 2.3(a).

“Assumed Leases” shall have the meaning set forth in Section 1.1(j).

“Assumed Liabilities” shall have the meaning set forth in Section 1.3.

“Bankruptcy Code” shall have the meaning set forth in the Recitals.

“Bankruptcy Court” shall have the meaning set forth in the Recitals.

“Bidding Procedures” means the bidding procedures approved by the Bankruptcy Court pursuant to the Bidding Procedures Order in form and substance satisfactory to Purchaser in its reasonable discretion.

“Bidding Procedures Order” means an order of the Bankruptcy Court approving the Bidding Procedures pursuant to the terms of this Agreement, in form and substance reasonably satisfactory to Purchaser.

“Break-Up Fee” shall have the meaning set forth in Section 7.3.

“Business” shall have the meaning set forth in the Recitals.

“Business Contracts” shall have the meaning set forth in Section 3.5.



“Business Day” means any day other than a Saturday, Sunday or other day on which banks in New York are authorized or required by Law to be closed.

“Business Trademarks” shall have the meaning set forth in Section 5.8(a).

“Credit Bid” shall have the meaning set forth in Section 2.1.

“Credit Bid Amount” shall have the meaning set forth in Section 2.1.

“Chapter 11 Cases” shall have the meaning set forth in the Recitals.

“Chosen Courts” shall have the meaning set forth in Section 8.12.

“Closing” shall have the meaning set forth in Section 2.2.

“Closing Date” shall have the meaning set forth in Section 2.2.

“Collective Bargaining Agreements” shall have the meaning set forth in Section 3.7(a).

“Computer Systems” means any and all computers, firmware, middleware, servers, workstations, hardware, routers, hubs, switches, networking equipment, data communications lines and all other information technology and networking assets, including all documentation related to any of the foregoing.

“Contract” means any written contract, indenture, note, bond, lease, sublease, mortgage, agreement, guarantee, or other agreement that is binding upon a Person or its property, in each case, other than a purchase order, service order, or sales order.

“CTN Holdings” means CTN Holdings, Inc., a Delaware corporation.

“Cure Costs” shall have the meaning set forth in Section 1.3(c).

“Debtor” or “Debtors” means a Seller or the Sellers, respectively.

“DIP Facility” means the Superpriority Senior Secured Debtor-in-Possession Loan and Security Agreement and Guaranty dated as of March 30, 2025 by and among the Sellers and Purchaser, as amended from time to time.

“DIP Order” means the Interim Order or Final Order, as applicable, as used in the DIP Facility.

“Encumbrances” means any lien (as defined in section 101(37) of the Bankruptcy Code), encumbrance, claim (as defined in section 101(5) of the Bankruptcy Code), charge, mortgage, deed of trust, encumbrance, lien, pledge, option to purchase or lease, license, right of first offer or refusal, conditional sale or other title retention agreement or lease in the nature thereof, preemptive right (whether statutory or contractual), adverse claim (as defined in Section 8-102(a)(1) of the Uniform Commercial Code), any subordination arrangement in favor of another Person, security interest or agreement, easement or similar

encumbrance, and any encroachment, defect in title, right of way, or similar restriction affecting any right or title, in each case of any type, nature or kind whatsoever, whether secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, recorded or unrecorded, contingent or non-contingent, material or non-material or known or unknown, including any agreement to give any of the foregoing in the future.

“Enforceability Exceptions” shall have the meaning set forth in Section 3.2(c).

“Environmental Laws” means any applicable Law or any agreement with any Governmental Authority or other third party, relating to human health and safety, the environment or to Hazardous Substances.

“Equity Interests” means, with respect to a Person, any membership interests, partnership interests, profits interests, capital stock or other equity securities (including profit participation features or equity appreciation rights, phantom stock rights or other similar rights) or ownership interests of such Person, or any securities (including debt securities or other indebtedness) exercisable or exchangeable for or convertible into, or other rights to acquire, membership interests, partnership interests, capital stock or other equity securities or ownership interests of such Person (or otherwise constituting an investment in such Person).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Estate” shall mean the estate of the Debtors created by Section 541 of the Bankruptcy Code upon the Petition Date in the Chapter 11 Cases.

“Estimated Cure Costs” shall have the meaning set forth in Section 1.5(g)**Error! Reference source not found.**

“Excluded Assets” shall have the meaning set forth in Section 1.2.

“Excluded Liabilities” shall have the meaning set forth in Section 1.4.

“Expense Reimbursement” has the meaning set forth in Section 7.3.

“Express Representations” shall have the meaning set forth in Section 3.15.

“Governmental Body” means any government, quasi-governmental entity, or other governmental or regulatory body, agency or political subdivision thereof of any nature, whether foreign, transnational, federal, state or local, or any agency, regulatory or administrative agency, commission, ministry, branch, department, official, entity, instrumentality or other authority or political subdivision thereof, or any court or arbitrator of applicable jurisdiction.

“Hazardous Substances” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable corrosive, reactive or otherwise hazardous substance, waste or material or any substance, waste or material having any constituent elements

displaying any of the foregoing characteristics including petroleum, its derivatives, by-products and other hydrocarbons, and any substance, waste or material regulated under any Environmental Law.

“Intellectual Property Assignment Agreement” shall have the meaning set forth in Section 2.3(c).

“Intellectual Property Rights” means, collectively, all intellectual property rights in any jurisdiction throughout the world, whether registered, unregistered, or registrable, including any and all of the following: (a) inventions, discoveries, improvements, ideas, know-how, methodology, models, algorithms, formulae, systems, processes, technology, whether patentable or not, and all patents, patent applications of any kind, industrial designs, utility models, and like rights, and all applications pertaining to the foregoing, in any jurisdiction, including re-issues, continuations, divisionals, continuations-in-part, re-examinations, renewals and extensions; (b) rights in registered and unregistered trademarks, service marks, trade names, trade dress, logos, packaging design, slogans, product configurations, trade names and other indications of origin, and Internet domain names, and registrations and applications for registration of any of the foregoing and all goodwill associated therewith (“Trademarks”); (c) copyrights and registrations and applications for registration thereof, and copyrightable works and any other works of authorship in any medium, including applications or registrations in any jurisdiction for the foregoing and all moral rights in the foregoing; (d) trade secret and other rights in any information (including inventions, discoveries and invention disclosures (whether or not patented), formulae, patterns, compilations, programs, devices, methods, strategies, techniques, or processes), in each case that derives independent economic value, actual or potential, from not being generally known or readily ascertainable by others who can obtain economic value from its disclosure or use; (e) rights in software, including interpreted or compiled source code, object code, development documentation, programming tools, drawings, specifications, metadata and data; (f) data and database rights; (g) domain names, websites and social media accounts and identifiers, including, as applicable, the usernames and passwords associated therewith and all content contained therein; (h) any other intellectual property or proprietary rights of any kind, nature or description; (i) rights to apply for, obtain, prosecute, register, maintain and defend any of the foregoing; (j) the right to assert, claim or sue and collect damages for the past, present or future infringement, misappropriation or other violation of any of the foregoing, and (k) any tangible embodiments of the foregoing (in whatever form or medium).

“Inventory” means all supplies, goods, materials, work in process, inventory and stock in trade owned by any Seller exclusively for use or sale in the ordinary course of Business (including carbon credit inventory and inventory ordered by any Seller prior to the Closing date but not delivered until after the Closing Date), but specifically excluding (1) goods which belong to sublessees, licensees or concessionaires of any Seller, and (2) goods held by any Seller on memo, on consignment, or as bailee.

“Knowledge of the Sellers”, or words of like import, means the actual knowledge, as of the date of this Agreement, after reasonable inquiry, of Miles Staglik, Rob Lee, Mike Shuckerow, or Nate Redmond.

“Law” means any domestic, federal, state, provincial, local (including common law), municipal, foreign or international, multinational or other law, statute, legislation, constitution, principle of common law, ordinance, code, decree, treaty, convention, rule, regulation or Order issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body, as amended unless specified otherwise.

“Leased Real Property” shall have the meaning set forth in Section 3.6.

“Liability” means, as to any Person, any direct or indirect debt, adverse claim, liability (including Tax liability), duty, responsibility, Tax, obligation, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution, or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed.

“Material Adverse Effect” means a material adverse effect on (i) the condition (financial or otherwise), business, assets, results of operations or prospects of the Business, excluding any effect resulting from (A) changes in the general economic or political conditions in the United States not having a materially disproportionate effect on the Business relative to other participants in the industry in which the Business operates, (B) changes (including changes of applicable Law) or conditions generally affecting the industry in which the Business operates and not specifically relating to or having a materially disproportionate effect on the Business, (C) acts of war, sabotage or terrorism or natural disasters involving the United States of America not having a materially disproportionate effect on the Business relative to other participants in the industry in which the Business operates or (ii) Sellers’ ability to consummate the transactions contemplated by this Agreement.

“Material Permit” shall have the meaning set forth in Section 3.13(b).

“Multiemployer Plan” shall have the meaning set forth in Section 3.7(e).

“Native Agreement” shall mean that *Amended and Restated Forward Transaction Confirmation* dated May 3, 2023, by and between Carbon Sequestration III, LLC and Native, and all amendments and modifications thereto, and any and all related agreements, contracts, memoranda of understanding and side letter agreements between the same and/or their affiliates.

“Non-Recourse Person” shall have the meaning set forth in Section 8.7.

“Order” means any order, injunction, judgment, decree, ruling, writ, award, judgement, settlement or stipulation issued, promulgated, rendered or entered into by or with any Governmental Body or arbitrator of competent jurisdiction, including any order entered by the Bankruptcy Court in the Chapter 11 Cases (including the Sale Order).

“Outside Date” shall have the meaning set forth in Section 7.1(c).

“Party” or “Parties” shall have the meaning set forth in the Preamble.

“Permit” means any permit, license, franchise, clearance, registration, certificate, approval, qualification, or authorization issued by any Governmental Body or accrediting organization.

“Permitted Encumbrances” means (i) Encumbrances for utilities and Taxes not yet due and payable, or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP, or the nonpayment of which is permitted or required by the Bankruptcy Code, (ii) easements, rights of way, restrictive covenants, encroachments and similar non-monetary encumbrances or non-monetary impediments against any of the Acquired Assets which do not, individually or in the aggregate, adversely affect the operation of the Acquired Assets, (iii) materialman’s, mechanic’s, artisan’s, shipper’s, warehouseman’s or other similar common law or statutory liens incurred in the ordinary course of business consistent with past practice for amounts not yet due and payable or that are being contested by appropriate proceedings, (iv) licenses granted on a non-exclusive basis, (v) such other Encumbrances or title exceptions which do not, individually or in the aggregate, materially and adversely affect the operation of the Acquired Assets, and (vii) solely prior to Closing, any Encumbrances that will be removed or released by operation of the Sale Order.

“Permitted Transferee” means any Affiliate or subsidiary of Purchaser, and any of Purchaser’s investors or funding partners.

“Person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, labor union, organization, estate, Governmental Body or other entity or group.

“Personal Information” means any information that enables, or could reasonably enable, a Person in possession thereof to identify a natural person or that is otherwise considered personally identifiable information, personal information, personal data or any other similar term under applicable Law.

“Petition Date” means the date of filing of the Chapter 11 Cases.

“Pre-Closing Tax Period” means any taxable period (or portion thereof) ending on or prior to the Closing Date and the portion through the end of the Closing Date of any Straddle Period.

“Prepetition Secured Loan Facility” means the Third Amended and Restated Senior Secured Promissory Note and Guaranty dated as of October 30, 2024 by and among the Sellers, Purchaser, the other lenders party thereto, and Inherent Group, LP, as collateral agent, as amended by the First Amendment thereto dated as of December 30, 2024, the Second Amendment thereto dated as of March 11, 2025 and the Third Amendment thereto dated as of March 24, 2025, as further amended from time to time.

“Privacy Laws” shall have the meaning set forth in Section 3.9.

“Professional Fee Escrow” shall mean the deposit account established by the Seller to deposit and hold monies to pay and satisfy Allowed Professional Fees in the Chapter 11 Cases.

“Purchase Price” shall have the meaning set forth in Section 2.1.

“Purchase Price Allocation” shall refer to the allocation of the Purchase Price contemplated by Section 5.9(b).

“Purchase Price Allocation Statement” shall have the meaning set forth in Section 5.9(b).

“Purchaser” shall have the meaning set forth in the Preamble.

“Purchaser Designee” shall have the meaning set forth in Section 8.4(b).

“Purchaser Fundamental Representations” shall have the meaning set forth in Section 6.3(a).

“Purchaser Group” means Purchaser, any Affiliate of Purchaser and each of their respective former, current or future Affiliates, officers, directors, employees, partners, members, managers, agents, Advisors, successors or permitted assigns.

“Release” means any presence, release, spill, emission, leaking, pumping, pouring, emitting, emptying, discharging, placing, injecting, escaping, disposal, dumping, emptying, dispersing, leaching or migrating in, into, onto or through the indoor or outdoor environment.

“Representatives” of a Person means any officer, director, manager, member, partner or employee of such Person or any investment banker, attorney, accountant, consultant, agent or other advisor or representative of such Person.

“Sale Motion” means the *Debtors’ Motion for Entry of an Order Approving (I)(A) The Debtors’ Entry Into Stalking Horse Agreement, (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 (II) Granting Related Relief* filed by the Seller with the Bankruptcy Court on April \_\_, 2025 [D.I. \_\_].

“Sale Order” means the Order or Orders, which shall be in form and substance reasonably acceptable to Purchaser, and which shall, among other things, (a) in the Purchaser’s sole discretion, either grant the Sale Motion pursuant to sections 105, 363 and 365 of the Bankruptcy Code or confirm a chapter 11 plan of reorganization/liquidation pursuant to section 1123(a)(5)(D) and 1141(c) of the Bankruptcy Code, (i) the execution,

delivery and performance by Sellers of this Agreement, (ii) the sale of the Acquired Assets to Purchaser on the terms set forth herein and with respect to the Acquired Assets of the Debtor Sellers free and clear of all Encumbrances (other than Assumed Liabilities and Permitted Encumbrances), (iii) the performance by Sellers and Purchaser of their respective obligations under this Agreement and the Transaction Agreements, (b) authorize and empower Sellers to assume and assign to Purchaser the Assigned Contracts, (c) find that Purchaser is a “good faith” buyer within the meaning of Section 363(m) of the Bankruptcy Code, and find that Purchaser is not a successor to any Seller, and grant Purchaser the protections of Section 363(m) of the Bankruptcy Code, (d) find that Purchaser shall have no Liability or responsibility for any Liability or other obligation of any Seller arising under or related to the Acquired Assets other than as expressly set forth in this Agreement, including successor or vicarious Liabilities of any kind or character, including any theory of antitrust, environmental, successor, or transferee Liability, labor law, de facto merger, or substantial continuity, (e) find that Purchaser has provided adequate assurance (as that term is used in Section 365 of the Bankruptcy Code) of future performance in connection with the assumption of the Assigned Contracts, (f) find that Purchaser shall have no Liability for any Excluded Liabilities and (g) find that Purchaser has not violated Section 363(n) of the Bankruptcy Code by any action or inaction.

“Seller” and “Sellers” shall have the meaning set forth in the Preamble.

“Seller Benefit Plans” means any “employee benefit plan” (as defined under section 3(3) of ERISA, whether or not subject to ERISA) or any agreement, plan, or practice providing for compensation, benefits, severance pay or benefits, change in control payments, equity awards, fringe benefits, or other remuneration or benefit of any kind, whether written or unwritten, funded or unfunded, for the benefit of any current or former employee, contractor, advisor or other service provider of the Business that is sponsored, maintained, contributed to or required to be contributed to by any Seller or pursuant to which any Seller or Subsidiary thereof has any liability (contingent or otherwise), including any Multiemployer Plan or Collective Bargaining Agreement.

“Seller Fundamental Representations” shall have the meaning set forth in Section 6.2(b).

“Seller Tax Group” means any consolidated, combined, unitary or similar Tax group of which Seller or any of its Affiliates is the common parent.

“Straddle Period” means any taxable period that includes (but does not end on) the Closing Date.

“Subsidiary” means, with respect to any Person (or a Subsidiary thereof), any corporation, partnership, limited liability company or other entity, whether incorporated or unincorporated, of which such first Person (i) directly or indirectly owns or controls a majority of the securities or other interests of such Person or (ii) has the power, through the ownership of securities or otherwise, to elect a majority of the board of directors or others performing similar functions of such Person.

“Successful Bidder” means Purchaser as the prevailing party under the Bidding Procedures Order.

“Tax” or “Taxes” means any taxes, charges, fees, levies, and other assessments in the nature of a tax imposed by a Governmental Body, whether computed on a separate, consolidated, unitary or combined basis or in any other manner, together with any interest, additions or penalties deficiencies, surcharges, sanctions, or additions with respect thereto.

“Tax Code” means the United States Internal Revenue Code of 1986, as amended.

“Tax Records” mean all Tax Returns, schedules and work papers, and all material records and other documents relating to Tax matters.

“Tax Return” means any return, claim for refund, report, statement or information return relating to Taxes required to be filed with a Governmental Body, including any schedule or attachment thereto, and including any amendments thereof.

“Transaction Agreements” means this Agreement, the Assignment and Assumption Agreement, Intellectual Property Assignment Agreement, the Transition Services Agreement (if executed in connection with the Closing), and any other agreements, instruments, certificates or documents entered into pursuant to this Agreement.

“Transactions” means the transactions contemplated by this Agreement and the other Transaction Agreements.

“Transfer Offer” shall have the meaning set forth in Section 5.6.

“Transfer Taxes” shall have the meaning set forth in Section 5.10.

“Transferred Employee Records” means physical or electronic copies of all personnel records (including those as required by applicable Law and those pertaining to performance, training history, job experience and history, and for the three (3)-year period immediately preceding the Closing, compensation history) for the Transferred Employees, except where (i) the transfer or disclosure of such records is prohibited by applicable Law, or (ii) consent of the relevant employee is required by applicable Law but not given.

“Transferred Employees” shall have the meaning set forth in Section 5.6.

“Transferred Intellectual Property” means any and all Intellectual Property Rights owned or purported to be owned, by Sellers or any of their Subsidiaries.

“Transferred IP Agreements” has the meaning set forth in Section 1.1(k).

“TREES Agreement” shall mean that *Program Agreement* effective as of June 8, 2022, by and between Catona Climate Solutions, LLC (formerly Aspiration Sustainable Impact Services, LLC) and TREES for the Future, and all amendments and modifications thereto, and any and all related agreements, contracts, memoranda of understanding and side letter agreements between the same and/or their affiliates.



“Willful Breach” shall mean a deliberate act or a deliberate failure to act regardless of whether breaching was the conscious object of the act or failure to act.

**Section 9.2 Rules of Interpretation.** Unless otherwise expressly provided, the following rules of interpretation will apply to this Agreement, the Schedules and any other certificate, instrument, agreement or other document contemplated hereby or delivered hereunder.

(a) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and will not affect or be utilized in the construction or interpretation of this Agreement. Section, clause, Schedule and exhibit references contained in this Agreement are references to sections, clauses, Schedules and exhibits in or to this Agreement, unless otherwise specified. All exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or exhibits but not otherwise defined therein shall be defined as set forth in this Agreement.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. Unless otherwise expressly indicated, where the context permits, the use of the term “or” will be equivalent to the use of the term “and/or.”

(d) The words “to the extent” shall mean “the degree by which” and not simply “if.”

(e) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded. If the last day of such period is a day other than a Business Day, the period in question will end on the next succeeding Business Day.

(f) Words denoting any gender will include all genders, including the neutral gender. Where a word is defined herein, references to the singular will include references to the plural and vice versa.

(g) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(h) All references to “writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form.

(i) All references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(j) Any document or item will be deemed “delivered,” “provided” or “made available” by Sellers, within the meaning of this Agreement if such document or item is (i) actually delivered

or provided to Purchaser or any of Purchaser's Advisors or (ii) made available upon request, including at Sellers' offices.

(k) Any reference to any agreement or Contract will be a reference to such agreement or Contract, as amended, modified, supplemented or waived; provided, that with respect to any agreement or Contract listed on any schedules hereto, all such amendments, modifications or supplements must also be listed in the appropriate schedule.

(l) A reference to any Person includes such successors and permitted assigns of such Person

(m) A reference to a Person in a particular capacity excludes such Person in any other capacity or individually.

(n) References to "law", "laws" or to a particular statute or law shall be deemed also to include any and all applicable Laws.

(o) Unless otherwise specified, references to a statute means such statute as amended from time to time and includes any successor legislation thereto and any rules or regulations promulgated thereunder; provided, that, for the purposes of the representations and warranties set forth herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance with, any applicable Law, the reference to such applicable Law means such applicable Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

*[Signature pages follow.]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

**PURCHASER:**

INHERENT ASPIRATION, LLC

By: Inherent Aspiration MM, LLC, its Managing Member

By: Inherent Group, LP, its Managing Member

By: Inherent Group GP, LLC, its general partner

By: \_\_\_\_\_

Name: Michael Ellis

Title: Chief Operating Officer

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

**SELLERS:**

**CTN HOLDINGS, INC.**, a Delaware corporation

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**MAKE EARTH GREEN AGAIN, LLC**, a Delaware limited liability company

By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**ASPIRATION QFZ, LLC**, a Delaware limited liability company

By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**CARBON SEQUESTRATION III, LLC**, a Delaware limited liability company

By: Make Earth Green Again, its Sole Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**CARBON SEQUESTRATION I, LLC**, a Delaware limited liability company

By: Make Earth Green Again, its Sole Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**CARBON SEQUESTRATION II, LLC**, a Delaware  
limited liability company  
By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_  
Name: Rob Lee  
Title: Chief Executive Officer

**REFORESTATION INITIATIVES I, LLC**, a Delaware  
limited liability company  
By: Make Earth Green Again, its Sole Member

By: \_\_\_\_\_  
Name: Rob Lee  
Title: Chief Executive Officer

**REFORESTATION INITIATIVES II, LLC**, a Delaware  
limited liability company  
By: Make Earth Green Again, its Sole Member

By: \_\_\_\_\_  
Name: Rob Lee  
Title: Chief Executive Officer

**ZERO CARBON HOLDINGS, LLC**, a Wyoming limited  
liability company  
By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_  
Name: Rob Lee  
Title: Chief Executive Officer

**CATONA CLIMATE SOLUTIONS, LLC**, a Delaware  
limited liability company  
By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_  
Name: Rob Lee  
Title: Chief Executive Office

**CTN SPV HOLDINGS, LLC**, a Delaware limited liability company

By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**ASPIRATION FUND ADVISER, LLC**, a Delaware limited liability company

By: CTN Holdings, Inc., its Managing Member

By: \_\_\_\_\_

Name: Rob Lee

Title: Chief Executive Officer

**EXHIBIT A**

**BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

[To Be Provided]

**EXHIBIT B**

**INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT**

[To Be Provided]



**SCHEDULES**

[To Be Provided]