

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

In re:)	
)	Chapter 11
)	
CTN HOLDINGS, INC., <i>et al.</i> ¹)	Case No. 25-10603 (TMH)
)	
Debtors.)	(Jointly Administered)
)	Re: Dockets No. 171 and 177

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF MISSION FINANCIAL
PARTNERS LLC TO NOTICE OF (I) POSSIBLE TREATMENT OF CONTRACTS AND
LEASES, (II) FIXING OF CURE AMOUNTS, AND (III) DEADLINE TO OBJECT
THERE TO**

Mission Financial Partners LLC (“MFP”), through its undersigned counsel, hereby files this limited objection and reservation of rights (the “Objection”) to the Debtors’ *Notice of (I) Possible Treatment of Contracts and Leases, (II) Fixing of Cure Amounts, and (III) Deadline to Object Thereto* [Docket No. 177] (the “Notice”). In support of the Objection, MFP respectfully states as follows:

PROCEDURAL HISTORY AND BACKGROUND

1. On March 30, 2025 (the “Petition Date”), CTN Holdings, Inc. (formerly known as Aspiration Partners, Inc., “CTN”) and its affiliated debtors (together with CTN, the “Debtors”) filed petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). Carbon Sequestration III, LLC (“Sequestration III”) filed a petition on May 22, 2025 and is requesting joint administration.

¹ The Debtors in these chapter 11 cases, along with the last four digits of the Debtors’ federal tax identification numbers, are CTN Holdings, Inc. (9122), CTN SPV Holdings, LLC (8689), Make Earth Green Again, LLC (4441), Aspiration QFZ, LLC (1532), Aspiration Fund Adviser, LLC (4214), Catona Climate Solutions, LLC (3375) and Zero Carbon Holdings, LLC (1679). The mailing address for the Debtors is 548 Market Street, PMB 72015, San Francisco, CA 94104-5401.



2. CTN and MFP are or were party to four separate prepetition contracts that are the subject of this Objection: (1) the Carbon Credit Purchase Agreement, dated as of January 12, 2024, between Sequestration III and MFP, with CTN as guarantor (as amended or modified from time to time, the “Carbon Credit Agreement”), (2) the Purchase Agreement, dated as of February 12, 2024, by and among CTN, as seller, and MFP, as purchaser (as amended or modified from time to time, the “Purchase Agreement”), (3) the License Agreement, dated as of February 12, 2024 (as amended or modified from time to time, the “License Agreement”), and (4) the Wind Down and Services Agreement, dated as of June 21, 2024 (as amended or modified from time to time, the “Services Agreement”) (collectively, the “MFP Contracts”). The Purchase Agreement was terminated by MFP upon notice to CTN pursuant to its terms on March 29, 2025, on account of the sale contemplated thereunder having failed to close prior to the stated outside date.

3. On May 14, 2025, the Court entered an order approving certain bidding and stalking horse designation procedures (the “Bidding Procedures Order”) [D.I. 171]. The Bidding Procedures Order approved certain procedures relating to the assumption and assignment of executory contracts and unexpired leases pursuant to Section 365 of the Bankruptcy Code.

4. The Debtors filed the Notice on May 15, 2025. The list of potential executory contracts to be assumed by the purchaser attached to the Notice includes the MFP Contracts. The Notice lists blank cure amounts for each of the MFP Contracts other than the Services Agreement which has a proposed cure amount of \$19,968.93.

5. On May 2, 2025, CTN filed its *Schedules of Assets and Liabilities* [Docket No. 96] (the “Schedules”). The CTN’s Schedule E/F includes claims listed as \$750,011.00 for the Carbon Credit Agreement (with boxes checked for contingent and unliquidated), \$3,347,226.94 for the Purchase Agreement (with boxes checked for contingent, unliquidated and disputed), and

\$17,269.68 for the Services Agreement (with boxes checked for contingent, unliquidated and disputed). At face value of the Schedule E/F, the cure amounts listed for MFP in the Notice should not be blank and are incorrect by a substantial sum.

OBJECTION

1. As an initial matter, MFP terminated the Purchase Agreement upon written notice to CTN in accordance with its terms prior to the Petition Date. Contracts terminated pre-bankruptcy cannot be assumed because there is no longer an executory contract eligible for assumption. Section 365 of the Bankruptcy Code does not expand the Debtors' rights and allow for the reinstatement of terminated contracts. To the extent the Debtors seek to reinstate and enforce the Purchase Agreement, MFP objects. Even if the Debtors could reinstate a terminated contract without MFP's consent, there would be outstanding interest and reimbursements due to MFP that would be required to be cured, in contrast to the blank amount listed on the Notice.

2. Second, MFP objects to the proposed cure amount for the Carbon Credit Agreement, as listed in the Notice. MFP has yet to receive the carbon credits subject to the Carbon Credit Agreement and understands the transfer of the underlying carbon credits may no longer be feasible. If CTN is unable to deliver the carbon credits, they will have to monetarily cure the outstanding purchase price that MFP paid to obtain the carbon credits. At the very least, the total amount necessary to cure the Debtors' outstanding debts to MFP is the amount in the Debtor's Schedule E/F, i.e., \$750,011.00.

3. Finally, the Notice lists a blank cure amount with respect to the License Agreement and \$19,968.93 with respect to the Services Agreement. MFP is continuing to reconcile the amounts owed to MFP under the License Agreement and the Services Agreement, but there is no less than \$40,495.00 owed to MFP under the Services Agreement on account of pass through

payments for consumer-related services under the Services Agreement that MFP reimbursed to CTN, but that CTN redirected to other non-consumer related expenses.

4. Assumption and assignment of an executory contract or unexpired lease is governed by Section 365 of the Bankruptcy Code. Specifically, section 365(b)(1) requires, as a prerequisite to assumption and assignment of an executory contract or unexpired lease, that a debtor cure defaults, or provide adequate assurance that defaults will promptly be cured. 11 U.S.C. § 365(b)(1). To cure a monetary default under section 365, a debtor must pay all amounts due under the contract. *In re Network Access Solutions, Corp.*, 330 B.R. 67, 76 (Bankr. D. Del. 2005). Assumption of the Contracts requires compliance with all contract terms, and amounts determined to be owed under such assumed contracts are not discharged. *See In re SuperMedia LLC*, 540 B.R. 85, 94 (Bankr. D. Del. 2015) (*citing In re Nat'l Gypsum Co.*, 208 F.3d 498 (5th Cir. 2000)). In addition, contracts that have terminated prior the petition date are not executory contracts that can be assumed or assigned. *In re EBC I, Inc.*, 356 B.R. 631, 638 (Bankr. D. Del. 2006) (“if a contract is terminated pre-petition it is no longer executory and section 365 is not applicable”).

5. In addition to the deficiencies in the Debtors’ ability to assume and assign the proposed contracts due to prior termination, the proposed blank cure amounts are unsupportable as amounts owed to MFP under the MFP Contracts before the Petition Date under even the Debtors’ Schedules and, therefore, the Notice does not satisfy the requirements of 11 U.S.C. § 365(b)(1). MFP objects to the proposed cure amounts in the Notice and requests that the Debtors or the purchaser be required to correct the above-noted deficiencies and pay the correct cure amounts to MFP prior to assumption and assignment of the Contracts to any purchaser.

RESERVATION OF RIGHTS

6. Before filing the Objection, MFP conferred with counsel for the Debtors, who informed MFP that the MPF Contracts were listed on the Notice out of an abundance of caution and to reserve all rights. Since the Debtors have not removed the Contracts from the Notice or provided further clarity on how to address underlying deficiencies in the Notice, MFP files this Objection to reserve all rights as to the amount of its claim against the estates, the proper cure amount, and the Debtors' ability to assume and assign the Contracts, all of which are expressly reserved herein.

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Dated: May 23, 2025
Chicago, Illinois

/s/ Lindsey Henrikson

PAUL HASTINGS LLP

Lindsey Henrikson
71 S Wacker Drive
Floor 45
Chicago, Illinois 60606
Telephone: 312.499.6033
Email: lindseyhenrikson@paulhastings.com

CERTIFICATE OF SERVICE

I, Lindsey Henrikson, certify that I am not less than 18 years of age, and that service of the foregoing was caused to be made on May 23, 2025, via CM/ECF upon those parties registered to receive such electronic notifications.

Dated: May 23, 2025

Chicago, Illinois

/s/ Lindsey Henrikson

PAUL HASTINGS LLP

Lindsey Henrikson

71 S Wacker Drive

Floor 45

Chicago, Illinois 60606

Telephone: 312.499.6033

Email: lindseyhenrikson@paulhastings.com