

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

In re:

CTN Holdings, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

In re:

Carbon Sequestration III, LLC,

Debtor.

Chapter 11

Case No. 25-10918 (____)

(Joint Administration Requested)

Employer Tax I.D. No. 88-1182344

**DEBTORS' SUPPLEMENTAL MOTION FOR ENTRY OF AN ORDER
DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES**

The debtors and debtors in possession in the above-captioned cases (together, the “Debtors”) hereby move (this “Motion”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 1015-1 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), (a) directing procedural consolidation and joint administration of these chapter 11 cases, and (b) granting related relief. In support of the Motion, the Debtors rely on and incorporate by reference the Declaration of Miles Staglik attached

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.



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hereto as **Exhibit B** (the “Staglik Declaration”). In further support of the Motion, the Debtors state as follows:

BACKGROUND

1. On March 30, 2025 (the “First Petition Date”), Debtors 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 (collectively, the “Original Debtors”), each filed a voluntary petition under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. On March 31, 2025, the Original Debtors filed the *Debtors’ Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases* [D.I. #3] (the “First Joint Administration Motion”) requesting procedural consolidation and joint administration of the Original Debtors’ cases pursuant to Bankruptcy Rule 1015(b). On April 2, 2025, the Court entered an order [D.I. # 34] (the “Joint Administration Order”) granting the First Joint Administration Motion.

3. The Original Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On April 10, 2025, the United States Trustee for Region 3 appointed an official committee of unsecured creditors [D.I. #59] (the “Committee”). As of the date hereof, no party has requested the appointment of a trustee or an examiner in these chapter 11 cases.

5. On May 14, 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 6004-1 (A) Approving Bidding 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; (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 [D.I. #171] (the “Bid Procedures Order”).

6. The bidding procedures approved by the Court identify certain non-debtor sellers, including, among others, Carbon Sequestration III, LLC (the “Affiliate Debtor”).

7. On May 22, 2025, the Affiliate Debtor filed a voluntary petition under chapter 11 of the Bankruptcy Code in the Court. As set forth in the Staglik Declaration, the Affiliate Debtor is a wholly owned subsidiary of Debtor Make Earth Green Again, LLC.

8. Additional information regarding the Debtors, their business, the events leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Miles Staglik in Support of Chapter 11 Petitions and First Day Motions* [D.I. #22] (the “First Day Declaration”).

JURISDICTION AND VENUE

9. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. The Debtors confirm their consent, pursuant to Bankruptcy Rule 7008, 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.

10. Venue of these chapter 11 cases and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

11. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

12. The predicates for the relief requested herein are section 105(a) of the Bankruptcy Code, Bankruptcy Rule 1015(b) and Local Bankruptcy Rule 1015-1.

RELIEF REQUESTED

13. By this Motion, the Debtors respectfully request entry of the Proposed Order, including the Affiliate Debtor's chapter 11 case as part of the joint administration previously authorized in the Original Debtors' cases by the Joint Administration Order. In addition, the Debtors request that any and all orders previously entered by the Court in the Original Debtors' chapter 11 cases which are applicable to the Affiliate Debtor, including, but not limited to, orders authorizing the retention of professionals, be deemed to extend and apply with equal force and effect to the Affiliate Debtor's case.

BASIS FOR RELIEF

14. Bankruptcy Rule 1015(b) provides, in pertinent part, that "[i]f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). The Original Debtors and the Affiliate Debtor are "affiliates" as that term is defined in section 101(2) of the Bankruptcy Code. Accordingly, the Bankruptcy Code and Bankruptcy Rules authorize the Court to grant the relief requested herein.

15. Including the Affiliate Debtor's case as part of the joint administration will provide significant administrative convenience to the Debtors, the Court, and all parties in interest, particularly in light of the sale process being conducted in the Original Debtors' cases. The Affiliate Debtor is a party to the Asset Purchase Agreement with the Stalking Horse Bidder (as defined in the Bid Procedures Order), and the Affiliate Debtor's assets are expected to be sold in connection with the sale process. Joint administration of all the Debtors' cases will avoid duplicative proceedings related to the sale of all or substantially all of the Debtors' assets. The relief requested herein will allow any motions, notices, objections, orders, other pleadings and

related materials to be filed in one case and to be served simultaneously on all necessary parties, thereby reducing the time, effort, and expense required of the Debtors, the Court, and all parties in interest. Moreover, joint administration will not prejudice the Debtors' respective constituencies because the relief sought herein is only administrative and will not affect the substantive rights of any party in interest.

16. Additionally, the Debtors request that any and all orders previously entered by the Court in the Original Debtors' chapter 11 cases which are applicable to the Affiliate Debtor, including, but not limited to, orders authorizing the retention of professionals, be deemed to extend and apply with equal force and effect to the Affiliate Debtor's chapter 11 case. The Debtors believe that it is critical to the success of their chapter 11 efforts to maximize value that the Debtors' professionals be able to represent the Affiliate Debtor in connection with this process. Further, requiring the Debtors and all of their professionals to submit separate retention applications, and requiring the professionals representing the Committee to do the same, would be unnecessarily burdensome and costly to the Debtors and their estates. However, all professionals shall seasonably update any disclosures, if necessary, resulting from the extension of their representation to the Affiliate Debtor's bankruptcy case.

17. Accordingly, the Debtors submit that the relief requested herein is in the best interest of the estates, their creditors, and all other parties in interest and, therefore, should be granted.

NOTICE

18. Notice of this Motion will be provided to: (a) the Office of the United States Trustee; (b) counsel to the Debtors' debtor-in-possession financing lender; (c) the Internal Revenue Service; (d) Securities and Exchange Commission; (e) Delaware State Treasury; (f) Delaware Secretary of

State; (g) the parties included on the Debtors' consolidated list of their 30 largest unsecured creditors; (h) the United States Attorney for the District of Delaware; (i) the state attorneys general in states where the Debtors are authorized to do business; and (j) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice of the Motion is required under the circumstances.

NO PRIOR REQUEST

19. No prior motion for the relief requested herein has been made to this or any other Court.

CONCLUSION

WHEREFORE, the Debtors respectfully request the entry of an order of this Court substantially in the form annexed hereto, directing the joint administration of the Affiliate Debtor's case along with the Original Debtors' cases and such other and further relief as this Court deems just and proper.

[Remainder of page intentionally left blank]

Dated: May 22, 2025
Wilmington, Delaware

WHITEFORD, TAYLOR & PRESTON LLC²

/s/ Bradley P. Lehman

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Counsel to the Debtors and Debtors in Possession

² 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.*,¹

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

Related Docket No. ____

In re:

Carbon Sequestration III, LLC,

Debtor.

Chapter 11

Case No. 25-10918 (____)

(Joint Administration Requested)

Employer Tax I.D. No. 88-1182344

Related Docket No. ____

**SUPPLEMENTAL ORDER AUTHORIZING JOINT
ADMINISTRATION OF THE DEBTORS' CHAPTER 11 CASES**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order") directing the joint administration of the Affiliate Debtor's case along with the Original Debtors' cases and the consolidation thereof for procedural purposes only; and upon the First Day Declaration; and this Court having found that it has jurisdiction to consider the Motion pursuant to 28 U.S.C. § 1334; and this Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b), and that the Debtors consent to entry

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 Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion.

of a final order under Article III of the United States Constitution; and this Court having found that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and this Court having reviewed the Motion; and this Court having determined that the legal and factual bases set forth in the Motion, the First Day Declaration and the Staglik Declaration establish just cause for the relief granted herein; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation thereon and good and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Affiliate Debtor's case shall be jointly administered with the Original Debtors' cases.
3. The caption of the jointly administered cases shall read as follows:

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

In re:

CTN HOLDINGS, INC., *et al.*,

Debtors.

Chapter 11
Case No. 25-10603 (TMH)
(Jointly Administered)

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), Zero Carbon Holdings, LLC (1679) and Carbon Sequestration III, LLC (2344). The mailing address for the Debtors is 548 Market Street, PMB 72015, San Francisco, CA 94101-5401.

4. The foregoing consolidated caption satisfies the requirements of section 342(c)(1) of the Bankruptcy Code.

5. A docket entry shall be made in the Affiliate Debtor's case to reflect the joint administration of these chapter 11 cases and shall read substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware directing joint administration of the chapter 11 cases of the following entities: CTN Holdings, Inc.; CTN SPV Holdings, LLC; Catona Climate Solutions, LLC; Make Earth Green Again, LLC; Aspiration QFZ, LLC; Zero Carbon Holdings, LLC; Aspiration Fund Adviser, LLC; and Carbon Sequestration III, LLC. The Debtors' mailing address is 548 Market Street, PMB 72015, San Francisco, CA 94101-5401. **The docket in the chapter 11 case of CTN Holdings, Inc., Case No. 25-10603 (TMH), should be consulted for all matters affecting these Chapter 11 Cases.**

6. Additionally, any and all orders previously entered by the Court in the chapter 11 cases of the Original Debtors which are applicable to the Affiliate Debtor, including, but not limited to, orders authorizing the retention of professionals, shall be deemed to extend and apply with equal force and effect to the Affiliate Debtor's chapter 11 case.

7. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise affecting a substantive consolidation of the Debtors or the Debtors' estates, and this Order shall be without prejudice to the rights of the Debtors or any other party in interest to seek or oppose substantive consolidation of the Debtors' estates.

8. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

9. Notwithstanding the applicability of any Rule, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

10. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation, or enforcement of this Order.

Exhibit B

Staglik Declaration

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

In re:

CTN Holdings, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10603 (TMH)

(Jointly Administered)

In re:

Carbon Sequestration III, LLC,

Debtor.

Chapter 11

Case No. 25-10918 (___)

(Joint Administration Requested)

Employer Tax I.D. No. 88-1182344

**DECLARATION OF MILES STAGLIK IN SUPPORT OF DEBTORS’
SUPPLEMENTAL MOTION FOR ENTRY OF AN ORDER DIRECTING
JOINT ADMINISTRATION OF CHAPTER 11 CASES**

I, Miles Staglik, hereby declare under penalty of perjury, the following:

1. I am a managing director at CR3 Partners (“CR3”), and I currently serve as Chief Restructuring Officer of the above-captioned debtors and debtors in possession (together, the “Debtors,” and each a “Debtor”).

2. I have over 15 years of experience in distressed transactions, including in- and out-of-court restructurings, operational turnarounds, balance sheet restructurings, business cost

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rationalizations, strategic opportunity identification, debt and equity capital raising, mergers and acquisitions, divestitures, and financial modeling and forecasting. I routinely serve as a Chief Restructuring Officer for companies ranging in size from \$25 million to \$800 million in revenue, assist clients with liquidity solutions, assess business plan viability, structure plans of reorganization, and conduct recapitalization and asset sale processes.

3. I submit this declaration (the “Declaration”) in support of the Debtors’ Supplemental Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases (the “Motion”), filed contemporaneously herewith. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion.

4. As a result of my tenure with the Debtors, I am familiar with the day-to-day operations and business and financial affairs of the Debtors. Except as otherwise indicated herein, all statements set forth in this Declaration are based upon my personal knowledge, information supplied to me by the other members of the Debtors’ management or the Debtors’ professionals, my review of relevant documents, or my opinion based upon my experience and knowledge of the Debtors’ operations and financial conditions and the industry in which the Debtors operate. If called as a witness, I could and would competently testify to the matters set forth in this Declaration.

5. On March 30, 2025 (the “First Petition Date”), Debtors 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 (collectively, the “Original Debtors”), each filed a voluntary petition under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Court”).

6. On March 31, 2025, the Original Debtors filed the *Debtors' Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases* [D.I. #3] (the "First Joint Administration Motion") requesting procedural consolidation and joint administration of the Original Debtors' cases pursuant to Bankruptcy Rule 1015(b). On April 2, 2025, the Court entered an order [D.I. # 34] (the "Joint Administration Order") granting the First Joint Administration Motion.

7. On May 22, 2025, Carbon Sequestration III, LLC (the "Affiliate Debtor") filed a voluntary petition under chapter 11 of the Bankruptcy Code in the Court.

8. The Affiliate Debtor is a wholly owned subsidiary of Debtor Make Earth Green Again, LLC.

9. Pursuant to the Motion, the Debtors seek to extend the joint administration authorized as to the Original Debtors' chapter 11 cases to the chapter 11 case filed by the Affiliate Debtor. The Debtors further seek to extend and apply all orders previously entered by the Court in the Original Debtors' cases which are applicable to the Affiliate Debtor, including, but not limited to, order authorizing the retention of professionals, with equal force and effect to the Affiliate Debtor's case.

10. The Debtors, including the Affiliate Debtor, are each affiliates of each other. Under these circumstances, I understand that it would be far more efficient for the administration of the Debtors' chapter 11 cases if the Court were to authorize their joint administration. I understand that many of the motions, hearings, and other matters involved in the Debtors' chapter 11 cases affect, or will affect, multiple and/or all of the Debtors. I understand that joint administration will reduce costs and facilitate the administrative process by avoiding the need for duplicative hearings, notices, applications and orders. I understand that the relief sought is solely procedural and is not intended to affect substantive rights.

11. Accordingly, I believe that the relief requested in the Motion is in the best interest of the Debtors, the estate, and all parties in interest in these chapter 11 cases. I respectfully request that the Motion be granted, together with such other and further relief as this Court deems just and proper.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 22, 2025

/s/ Miles Staglik

Miles Staglik, Chief Restructuring Officer
CTN Holdings, Inc.
CTN SPV Holdings, LLC
Make Earth Green Again, LLC
Aspiration QFZ, LLC
Aspiration Fund Adviser, LLC
Catona Climate Solutions, LLC
Zero Carbon Holdings, LLC
Carbon Sequestration III, LLC