

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)

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

Meta Platforms, Inc. (“Meta”), by and through its undersigned counsel, hereby submits this limited objection (this “Objection”) to the *Notice of (I) Possible Treatment of Contracts and Leases, (II) Fixing of Cure Amounts, and (III) Deadline to Object Thereto* [Dkt. No. 177] (the “Contract Notice”). In support of this Objection, Meta respectfully submits as follows:

1. Meta was a party to the Carbon Credit Purchase Agreement (the “Agreement”), dated as of December 15, 2022, with Debtors Catona Climate Solutions, LLC (“Catona Climate Solutions,” formerly known as Aspiration Sustainable Impact Services, LLC) and CTN Holdings, Inc. (formerly known as Aspiration Partners, Inc.).²

2. Article 11.7 of the Agreement provides that it is a “forward contract” and that the parties to the Agreement are “forward contract merchants” under sections 101 (25) and (26) of the

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 The Agreement is available to the Debtors and may be made available from Meta to the Court upon request and to parties in interest upon request and subject to appropriate confidentiality protections.



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Bankruptcy Code, respectively. Article 7.1(d) and Article 7.2 of the Agreement further provide that the filing of a bankruptcy by a party is a default and the basis for termination of the Agreement.

3. On March 30, 2025, Catona Climate Solutions, LLC, filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* in this Court.

4. Section 556 of the Bankruptcy Code provides, in relevant part, that a forward contract merchant may terminate a forward contract “because of a condition of the kind specified in section 365(e)(1) of this title,” including because of the commencement of a bankruptcy case. *See* 11 U.S.C. § 365(e)(1)(B).

5. On April 18, 2025, pursuant to Article 7.3 of the Agreement and section 556 of the Bankruptcy Code, Meta sent a notice (the “Termination Notice”) to Catona Climate Solutions and its counsel, terminating the Agreement according to its terms, effective as of the date of the Termination Notice. The Termination Notice is attached hereto as **Exhibit A**.

6. On May 15, 2025, the Debtors filed the Contract Notice, which notified certain “counterpart[ies] to one or more of the contracts and leases with one or more of the Debtors” (such contracts being listed in the “Contract and Lease Schedule” attached thereto) of the possibility of the assumption and/or assignment of such contracts, the Debtors’ proposed cure amounts for such contracts, and the deadline to object to such potential assumption and assignment and/or cure amounts. Pursuant to the terms of the Contract Notice, any counterparty failing to timely file a Contract Objection (as defined therein) “shall be deemed to have consented to the assumption and assignment of the Contract or Lease to the Stalking Horse Bidder or Successful Bidder[.]” *See* Contract Notice, at 3. Notwithstanding the Termination Notice, the Contract and Lease Schedule included the Agreement as a contract subject to potential assumption and/or assignment. *See id.*, Ex. A at 2.

7. Meta inquired of the Debtors whether the Agreement was listed on the Contract Notice in error, as it had been terminated. The Debtors responded that they were not taking any position as to the Agreement at this time, but rather reserving rights with respect to the Agreement.

8. In order to assert and reserve its own rights, Meta now submits this Objection on the grounds that the Agreement has been properly terminated. The Agreement is therefore not an executory contract of the Debtors, and is not subject to assumption, assignment, or rejection pursuant to section 365 of the Bankruptcy Code. Accordingly, Meta asserts that the Agreement should be removed from the Contract and Lease Schedule.

9. Moreover, if any interest in the Agreement were presently subject to assumption or assignment (it is not), Meta notes that it has asserted, through the Termination Notice, a claim of \$4 million against the Debtors in connection with the termination of the Agreement, and Meta reserves all rights to such amount, or any other amount, in connection with any such assumption or assignment. In addition, Meta reserves all rights to evaluate whether any proposed assignee of the Agreement is able to provide adequate assurance of performance of the Agreement.³

10. Meta has been in communication and will continue to engage in discussions with Debtors' counsel in the hope of resolving this Objection consensually. In the meantime, out of an abundance of caution, Meta files this Objection to avoid any deemed consent to the assumption or assignment of the Agreement, and Meta hereby reserves all other rights and remedies in respect of the Agreement and otherwise.

³ Because the Agreement is terminated, there is no way to evaluate cure costs for assumption and assignment of the Agreement, and there is no way to measure requirements for future performance of the Agreement. But because the Debtors have placed the terminated Agreement on the Contract Notice, Meta is compelled to reserve rights to cure costs and adequate assurance of future performance.

Dated: May 23, 2025

By: /s/ George W. Shuster Jr.

George W. Shuster Jr. (*pro hac vice forthcoming*)

Allyson Pierce (*pro hac vice forthcoming*)

WILMER CUTLER PICKERING HALE AND

DORR LLP

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New York, N.Y. 10007

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Counsel for Meta Platforms, Inc.

Exhibit A

WILMERHALE

April 18, 2025

George W. Shuster Jr.

By E-mail & Overnight Courier

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Catona Climate Solutions, LLC
(fka Aspiration Sustainability Impact Service, LLC)
4551 Glencoe Avenue
Marina del Rey, CA 90292

548 Market Street,
PMB 72015
San Francisco, CA 94101-5401

Re: Termination Notice of Carbon Credit Purchase Agreement

To Whom It May Concern:

Reference is made to the Carbon Credit Purchase Agreement (the “Agreement”) dated as of December 15, 2022, by and among Aspiration Sustainable Impact Services, LLC, a Delaware company and wholly owned direct subsidiary of Aspiration Partners, Inc. (“Aspiration”), Aspiration Partners, Inc. (“Parent”), and Meta Platforms, Inc. (“Meta”).

On March 30, 2025, Catona Climate Solutions, LLC, formerly known as Aspiration Sustainable Impact Services, LLC, filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* The chapter 11 proceedings are currently pending in the United States Bankruptcy Court for the District of Delaware as case number 25-10605 (jointly administered under case number 25-10603).

The bankruptcy filing is a default under Article 7, sec. 7.1(d) of the Agreement, and is thereby a basis for termination of the Agreement under sec. 7.2. Pursuant to sec. 7.2 of the Agreement, Meta, as the Non-Defaulting Party, hereby terminates the Agreement as a result of Aspiration’s bankruptcy filing, as of the date of this Notice (the “Early Termination Date”). Pursuant to sec. 7.3 of the Agreement, Meta further elects to terminate any remaining Transaction Confirmations as of the Early Termination Date. Pursuant to sec. 7.3(c) of the Agreement, upon Meta’s election to terminate this Agreement and the remaining Transaction Confirmations, Aspiration’s liability to Meta is \$4,000,000.

This notice of termination is permitted under 11 U.S.C. § 556, notwithstanding 11 U.S.C. § 362, and is effective only to the extent not otherwise prohibited by the Bankruptcy Code.

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Catona Climate Solutions, LLC
April 18, 2025
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Regards,

George W. Shuster Jr.

George W. Shuster Jr.

cc: David W. Gaffey, Whiteford, Taylor & Preston LLP