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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re NAVELLIER & ASSOCIATES INC., Debtor.	Case No. 25-50820-hlb Chapter 11 **DEBTOR'S OPPOSITION TO U.S. SECURITIES AND EXCHANGE COMMISSION'S MOTION TO DISMISS CHAPTER 11 CASE, OR IN THE ALTERNATIVE, TO CONVERT CASE TO CHAPTER 7** Hearing Date: March 18, 2026 Hearing Time: 1:30 p.m. (PT)

Navellier & Associates Inc. ("**Debtor**"), debtor in possession in the above-captioned chapter 11 case, through its attorneys Harris Law Practice LLC and McDonald Carano LLP, hereby files it opposition ("**Opposition**") to the U.S. Securities and Exchange Commission's ("**SEC**") *Motion to Dismiss Chapter 11 Case, or in the Alternative, to Convert Case to Chapter 7* ("**Motion**"). [ECF 76]. This Opposition is supported by the following memorandum of points and authorities; the pleadings and documents on file in the above-captioned bankruptcy case, the associated claims register ("**Claims Register**"), and the SEC's adversary proceeding pending at Adv. No. 25-05047-hlb ("**Adversary Proceeding**"), for which Debtor respectfully requests the Court to take judicial notice under FED. R. EVID. 201, and any oral argument of counsel.

MEMORANDUM OF POINTS AND AUTHORITIES

JURISDICTION AND VENUE

The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Pursuant to Local Rule 9014.2, the Debtor consents to the Court's entry of a final order in connection with the Motion and this Opposition to the extent that it is later determined that, absent consent of the parties, the Court cannot enter final orders or judgments consistent with Article III of the United States Constitution.

INTRODUCTION

Prepetition, the SEC obtained a judgment ("**Judgment**") for penalties, disgorgement (and related expenses) against Debtor in the approximate amount of $32 million. By its current Motion, the SEC seeks to dismiss Debtor's bankruptcy case as a bad faith filing under Section 1112. The SEC's bases for its bad faith claim, however, are unsupported by the facts or the law.

The SEC first claims that it "is the Debtor's only significant creditor, and the other general unsecured claims are *de minimis*." (Motion at 1:6-8). Yet, as Debtor's Schedules and Claims register reflect, Debtor has several non-priority and priority unsecured creditors with claims in the hundreds of thousands of dollars—hardly *de minimis*. Further, the law is clear that a Debtor's largest creditor does not have dictatorial authority to decide whether a bankruptcy filing is appropriate to address what such creditor may deem to be insignificant or otherwise *de minimis* claims.

Next, the SEC claims that this chapter 11 case is an attempt by the Debtor to delay and hinder the SEC from collecting its judgment and distributing the funds to investors. (Motion at 1: 24–26). This allegation is unreasonable and illogical. The Debtor is a service-related business, with no substantial marketable assets available for liquidation to satisfy the SEC's Judgment. Chapter 11 is

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a proper way for the Debtor to reorganize and satisfy the Judgment through a confirmed plan that allows Debtor to remain a going concern to pay the SEC and other creditors from future revenues.

Moreover, the Debtor has provided notice of this chapter 11 case to investors the SEC alleges suffered financial harm, thereby providing these investors the opportunity to file claims against the Debtor. But the SEC does not want to reveal the truth behind the curtain—that few, if any, of the "affected" investors suffered any investment losses. Over the past 10 years, the SEC has relentlessly pursued an enforcement action against the Debtor with a fervor that lacks reason due to the lack of alleged widespread harm to investors. Because the Supreme Court[1] has unequivocally held that SEC disgorgement awards are intended for victims and not for the SEC, the SEC represented to the trial court that the disgorgement award would be for the benefit of harmed investors. *See SEC v. Navellier & Assocs., Inc.*, 108 F.4th 19, 42–43 (1st Cir. 2024) *cert. denied* 145 S. Ct. 2777 (June 6, 2025) (stating that "[t]he district court first determined that disgorgement will be for the benefit of investors because the SEC 'intends to distribute to the Vireo AlphaSector clients any disgorgement awarded here.'"). Yet, for the past ten years, the SEC has taken no action to begin a process where the affected investors could file claims for any alleged losses. Indeed, based on the SEC's irritation at the Debtor for giving the 6,000+ "affected" investors the opportunity to come forward and file claims in this Chapter 11 case, one might think that the SEC never really intended to distribute the disgorgement award to investors. It is the SEC, not the Debtor, who is attempting to delay the return of funds to any harmed investors.

The SEC also claims that Debtor's exercise of legal rights and remedies available to it in the face of a multi-million-dollar Judgment is bad faith. The SEC, however, does not dispute that Debtor lacks sufficient assets to satisfy this $32 million judgment. Instead, the SEC's Motion serves as an endeavor to oppose confirmation of a plan Debtor has yet to propose. Specifically, according to the SEC, Debtor—at its Section 341 meeting—expressed its intent to file a plan that pays the

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[1] *See Liu v. SEC*, 591 U.S. 71, 75 (2020) ("Disgorgement award that does not exceed a wrongdoer's net profits and is awarded for victims is equitable relief permissible [under the Securities Exchange Act of 1934]."); *id*. at 88 ("The equitable nature of the profits remedy generally requires the SEC to return a defendant's gains to wronged investors for their benefit.").

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SEC nothing under its Judgment. While Debtor disputes the SEC's characterization of Debtor's comments at the Section 341 meeting, the SEC's arguments (even if assumed to be accurate) are premature and do not satisfy its burden to show "cause" under Section 1112. Debtor fully understands that it carries the burden to satisfy the applicable Section 1129 factors for plan confirmation, but it does not carry that burden in response to a Motion under Section 1112. When Debtor ultimately files its proposed plan, the SEC's attacks on the confirmability and feasibility of such plan may be appropriately raised at that time—and not prematurely via this Motion. Debtor's attempt to reorganize does not, contrary to the SEC's attempt to recharacterize the whole concept of chapter 11 proceedings, constitute a "collateral attack" on the Judgment.

The SEC finally claims that the purpose of this case appears to be to shield the non-Debtor codebtors from the Judgment. Yet, the SEC subsequently discounts its own asserted claim by acknowledging that a confirmed plan in this case would not run to the benefit of the non-Debtor codebtors. *See* Motion at 15:9-14. Again, the SEC's arguments appear to be preemptive and premature attacks on a plan that the Debtor has not yet filed, based on the SEC's assumed provisions of any such plan.

While hurling unfounded accusations against Debtor,[2] the underlying basis of the SEC's Motion appears to be a backdoor attempt to obtain the result it is otherwise not legally entitled to in its pending Adversary Proceeding. Specifically, in the Adversary Proceeding, the SEC asserts that its Judgment is excepted from discharge under Sections 523(a)(2) and 1141(d)(6)(A). For reasons

[2] The SEC complains about an action filed by the Debtor in 2021 in Nevada federal court ("**Nevada Action**"), which was stayed by that court until recently. The Debtor is amending its Statement of Financial Affairs to include the Nevada Action. That said, as the SEC admits in its Motion, on December 8, 2025, and without first seeking relief from the automatic stay or notifying Debtor's bankruptcy counsel, the SEC filed a motion to dismiss the Nevada Action. The SEC's likely violation of the automatic stay then caused the Debtor's pre-petition SEC litigation counsel to have to respond to the SEC's motion without Debtor's bankruptcy counsel having the opportunity to fully understand the nature of the Nevada Action and the benefit, if any, to the Debtor's estate. The Debtor recently stipulated with the SEC to dismiss the Nevada Action with prejudice, but the Debtor is still considering whether it may file an action against the SEC for violation of the bankruptcy stay.

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that the Debtor will show in a future response[3] to the Complaint in the Adversary Proceeding, the SEC's Complaint will fail as a matter of fact and law because the SEC fails to allege in its Complaint any facts entitling the SEC to relief under Section 523(a)(2).[4] It appears that the futility of the Adversary Proceeding precipitated the filing of the SEC's Motion. But the Motion likewise fails and should be denied.

BACKGROUND

1. On August 31, 2017, the SEC filed a complaint ("**Massachusetts Complaint**") against Debtor in the United States District Court for the District of Massachusetts ("**Massachusetts District Court**") and obtained a judgment for "disgorgement in the amount of $22,734,487, prejudgment interest in the amount of $6,635,403, a $2,000,000 civil penalty, for a total of $31,369,890."

2. The First Circuit Court of Appeals affirmed this judgment.

3. On September 5, 2025, Debtor filed a voluntary Chapter 11 petition with this Court, thereby initiating the above-captioned bankruptcy case.

4. On October 2, 2025, Debtor filed its Schedule A/B listing an aggregate amount of $2,391,906.86 in assets, including, among other things, bank accounts, accounts receivable, customer lists, and goodwill. [ECF 33].

5. On October 20, 2025, Debtor filed its Schedule E/F. [ECF 35].

6. In its Schedule E, Debtor listed 14 potential priority unsecured creditors and/or parties-in-interest with potential claims aggregating to $163,632.37.

7. In its Schedule F, Debtor listed 6114 potential non-priority unsecured creditors and/or parties in interest, including the SEC, with potential claims aggregating to $31,898,103.40

[3] The Court recently approved a stipulation between the Debtor and the SEC to extend the Debtor's answer deadline in the Adversary Proceeding until after the Court rules on the current Motion. Adversary Proceeding, ECF 8.

[4] *See TK Hldgs. Inc. v. Haw. (In re TK Hldgs. Inc.)*, 2018 WL 903980, at *7 (Bankr. D. Del. Feb. 14, 2018), *opinion vacated due to settlement between the parties*, 2018 WL 7051669 (Bankr. D. Del. Apr. 9, 2018) ("[I]f the fraud is perpetrated not upon the government but on citizens and consumers, the requirements of § 523(a)(2) are not satisfied.").

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(i.e. $619,213.40 in unsecured claims other than the SEC's judgment). [ECF 35].

8. Debtor's Claims Register currently includes a claim filed by the SEC for its Judgment, as well as five (5) other claims asserting $323,717.38 in unsecured claims (of which $191,442.78 is asserted as priority).

9. On December 5, 2025, the SEC filed an adversary complaint ("**Complaint**") against Debtor, thereby initiating the Adversary Proceeding.

10. Pursuant to the Complaint, the SEC alleges a single cause of action under Sections 523(a)(2) and 1141(d)(6)(A).

11. On January 13, 2026, the SEC filed the Motion currently before the Court.

12. On February 23, 2026, the Court entered an order extending Debtor's exclusive right to file a plan of reorganization through and including April 6, 2026. [ECF 93].

DISCUSSION

I. Applicable Standard.

1. Section 1112(b)(1) states, in pertinent part:

> [O]n request of a party in interest, and after notice and a hearing, the court shall convert a case under this chapter to a case under chapter 7 or dismiss a case under this chapter, whichever is in the best interests of creditors and the estate, for cause….

11 U.S.C. § 1112(b).

2. While not enumerated in Section 1112(b)(4), the Ninth Circuit has identified "a lack of good faith in filing a Chapter 11 petition establishes cause of dismissal." *Marhsall v. Marshall (In re Marshall)*, 721 F.3d 1032, 1047-48 (9th Cir. 2013) (quotations and citations omitted).

3. "In determining whether a case was filed in the absence of good faith, courts may consider factors such as whether: (1) the Debtor has only one asset; (2) the Debtor has an ongoing business to reorganize; (3) there are any unsecured creditors; (4) the Debtor has any cash flow or sources of income to sustain a plan of reorganization or to make adequate protection payments; and (5) the case is essentially a two-party dispute capable of prompt adjudication in state court.'" *In re Henderson Int'l Land, LLC*, 2024 WL 4046016 (Bankr. D. Nev. Sept. 4, 2024) (*quoting In re Rosenblum*, 608 B.R. 529, 537 (Bankr. D. Nev. 2019) & *St. Paul Self Storage P'ship v. Port Auth.*

Of the City of St. Paul (In re St. Paul Self Storage Ltd. Partnership), 185 B.R. 580, 582-83 (B.A.P. 9th Cir. 1995)).

4. The SEC "has the initial burden of persuasion to establish that cause exists for granting relief" under Section 1112(b)(1). *Baroni v. Seror (In re Baroni)*, 36 F.4th 958, 966 (9th Cir. 2022).

II. Debtor Filed This Case In Good Faith to Reorganize.

a. Debtor Has More Than One Asset.

5. As Debtor's Schedule A/B reflects, Debtor has more than one asset.

6. The SEC acknowledges this point. *See* Motion at 10:1-4.

7. Consequently, this factor does not weigh in favor of a finding that this case was filed in the absence of good faith.

b. Debtor Has An Ongoing Business to Reorganize.

8. The SEC claims that Debtor filed this case to re-litigate the Judgment, and not to reorganize. Again, by this argument, the SEC seeks to challenge the ability of any debtor to reorganize under chapter 11 when faced with pre-petition judgments. But the existence of a large pre-petition judgment precipitates many, if not the majority, of chapter 11 filings. And a plan that seeks to pay any such judgment pursuant to Bankruptcy Code rules and priorities does not constitute a re-litigation of such judgment. Indeed, the SEC fails to cite to a single case finding otherwise, and the cases to which it cites are readily distinguishable.

9. Specifically, in *In re SGL Carbon Corp.*, 200 F.3d 154 (3d Cir. 1999), the Third Circuit reversed the district court's denial of a motion to dismiss, concluding that "[t]he absence of a valid reorganizational purpose and the consequent lack of good faith … is evident here." *Id*. at 167. There, the debtor was a defendant in pre-petition antitrust lawsuits. *Id*. at 157. The debtor filed a chapter 11 petition, along with a plan, thereby halting this litigation. *Id*. Post-petition, the debtor stated that its business was financially healthy, and the debtor was not insolvent even after accounting for the anticipated liability arising out of the antitrust litigation. *Id*. at 166. Indeed, the debtor admitted that "Chapter 11 would 'change the negotiating platform' with plaintiff and

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'increase the pressure on … plaintiffs to settle.'" *Id*. at 158. Further, the debtor's proposed plan provided full payment for all creditors other than the plaintiffs in the antitrust litigation. *Id*. at 167.

10. Here, to the contrary, Debtor is insolvent after the SEC's Judgment. Debtor does not have sufficient assets to pay the SEC's Judgment, and absent chapter 11 reorganization, Debtor will be forced to liquidate. Even the SEC's Motion acknowledges that such circumstances justify chapter 11 filings. *See* Motion at 14 n.2 *quoting In re SGL Carbon Corp.*, 200 F.3d at 165-66 ("'When financially troubled petitioners seek a chance to remain in business, the exercise of those powers is justified.'").

11. The SEC next cites to *C-TC 9th Ave. P'ship v. Norton Co. (In re C-TC 9th Ave. P'ship)*, 113 F.3d 1304 (2d Cir. 1997). In that case, the Second Circuit affirmed the bankruptcy court's dismissal of the chapter 11 case because, among other things, the debtor filed chapter 11 in bad faith. There, "the bankruptcy court found that the 'primary characteristic of the [d]ebtor's Chapter 11 case is its longstanding dispute with [creditor]' and, thus, that the primary function of the petition was to serve as a litigation tactic." *Id*. at 1309. The bankruptcy court further found that the dispute with creditor "could be fully resolved in a non-bankruptcy forum" and that any confirmation opposition by creditor "created an almost insurmountable barrier to the confirmation of any" reorganization plan. *Id*. at 1310. Further, the debtor "had let thirteen months elapse after its filing, during which it continued to operate normally while failing to file a Chapter 11 plan or disclosure statement." *Id*. at 1310.

12. Here, to the contrary, Debtor's dispute with the SEC has resulted in entry of a final Judgment, with no remaining resolution of that Judgment required or pending in a non-bankruptcy forum. Further, Debtor has only been in chapter 11 for a few months (not thirteen months) and intends to file a proposed plan prior to the expiration of its extended exclusivity period on April 6, 2026. While the SEC's Judgment constitutes the largest claim against the estate, the SEC's anticipated downvote on confirmation is not likely to mandate defeat of Debtor's proposed plan.

13. Debtor acknowledges and accepts that the Judgment is currently final. Debtor, unfortunately, does not have sufficient assets to pay the entirety of the Judgment. Debtor therefore seeks to attempt to propose a plan that provides for payment of its creditors (including the SEC)

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consistent with the Bankruptcy Code, and specifically, the Section 1129 factors. Debtor is not attempting to re-litigate the Judgment in this chapter 11 case. For these reasons, the SEC's reliance on *In re Wally Findlay Galleries (New York), Inc.*, 36 B.R. 849 (Bankr. S.D.N.Y. 1984)—where the debtor attempted to use the bankruptcy court to relitigate counterclaims previously rejected in state court—is also easily distinguishable.

14. That said, an opinion from the Ninth Circuit BAP is instructive. *See Sullivan v. Harnisch* (*In re Sullivan)*, 522 B.R. 604, 615 (B.A.P. 9th Cir. 2014). In *Sullivan*, the court held that no bad faith existed where the debtor filed chapter 11 to stop a judgment creditor's collection efforts pending appeal. The *Sullivan* court explained that the bankruptcy not only appropriately provided the debtor a breathing spell, but it also laid the groundwork for another key goal in the bankruptcy process, i.e. leveling the playing field for other creditors. *Id.* The court further found that the debtor's intention to save the equity in his home, and his desire for an orderly liquidation if he could not propose a confirmable plan, were both legitimate reasons to file bankruptcy. *Id.* at 616. As in *Sullivan*, the Debtor filed chapter 11 to level the playing field for all of its creditors and to satisfy the Judgment through a plan.

15. Finally, while the SEC contends that the Massachusetts District Court retains jurisdiction over the Judgment, the retention of jurisdiction by non-bankruptcy forums is true for the majority (if not all) judgments that precipitate a chapter 11 filing and, standing alone, does not equate to a bad faith filing as a matter of law (as the SEC implicitly requests). Determining the allowance of claims is a core matter for this Court, and in that regard, the SEC's claim is no different than any other creditor's claim. Nothing about this chapter 11 case is preventing the SEC from going back to the Massachusetts District Court to propose a plan to distribute any funds it receives in this chapter 11 case.

16. For all these reasons, this factor does not weigh in favor of a finding that this case was filed in the absence of good faith.

III. Debtor has Several Other Unsecured Creditors.

17. Notably, a bankruptcy filing is not considered bad faith solely because a debtor has only one large creditor or because a debtor seeks to stop the aggressive collection efforts of a single

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judgment creditor. *In re Dilling*, 322 B.R. 353, 362 (Bankr. N.D. Ill. 2005) (*citing In re Texaco, Inc*., 254 B.R. 536, 541 (Bankr. S.D.N.Y. 2000)) (explaining that chapter 11 filings precipitated by one large judgment are not at all unusual, for example, Texaco filed under chapter 11 for the sole purpose of compromising a $10.5 billion judgment). There is simply no support in the Bankruptcy Code for the notion that a debtor must have more than one creditor, especially when the creditor's claim exceeds the debtor's assets. *See Dilling*, 322 B.R. at 362.

18. However, as previously noted, Debtor scheduled 14 priority unsecured creditors and 6114 non-priority unsecured creditors (including the SEC).

19. Since that time, Debtor has had 6 proofs of claim (both priority and non-priority unsecured claims) filed against it (including that of the SEC).

20. Consequently, this factor does not weigh in favor of a finding that this case was filed in the absence of good faith.

IV. Debtor Has Cash Flow and Sources of Income to Sustain a Plan.

21. As Debtor's most recent monthly operating report reflects, Debtor continues to operate its business and generate cash flow. Indeed, as of the month ending January 31, 2026, Debtor had a post-petition cumulative net profit of $497,129. [*See* ECF 94]. Moreover, the Debtor's business has improved post-petition, with its total assets under management increasing by about 13% post-petition. *See Declaration of Louis Navellier* filed in support of this Opposition ("**Navellier Declaration**"). Based on several factors explained in the Navellier Declaration, this growth will result in increased future asset management revenue for the Debtor so that Debtor can make substantial plan payments to allowed creditors.

22. Consequently, this factor does not weigh in favor of a finding that this case was filed in the absence of good faith.

V. This Chapter 11 Case is not Merely a Two-Party Dispute.

23. While the SEC's Judgment—and Debtor's inability to pay it—precipitated this Chapter 11 filing, that does not make this case a two-party dispute. Indeed, the Judgment the SEC seeks to assert on behalf of Debtor's so-called "victims"—who include thousands of individuals and/or entities—reflects the disingenuous posture under which the SEC is proceeding. Debtor filed

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this case to address its creditor claims, including any potential claims that could be asserted by those investors (whom the SEC refers to as "victims"). Despite the SEC's efforts via its current Motion, the Debtor believes those individual investors also have a say to remedy any wrongs to which they believe they were subjected. In other words, the SEC does not have veto rights over the alleged "victims" for which it portends to advocate.

24. Additionally, as further reflected in the Schedules and Claims Register, Debtor has other creditors asserting an aggregate amount of hundreds of thousands of dollars. *See In re Rosenblum*, 608 B.R. 529, 540 (Bankr. D. Nev. 2019) ("Debtor's Schedules and claims register reflect other interested non-insider creditors seeking to be paid. The fact that Sheila's potential claim dwarfs all other claims may draw Debtor closer to the line of a bad faith finding, but it does not persuade the court that the Debtor has crossed that line at this time.").

25. The SEC's citation to *Oasis at Wild Horse Ranch, LLC v. Sholes (In re Oasis at Wild Horse Ranch, LLC)* is also unavailing. There, internal disputes by and among members of the debtor-LLC, and an imminent trustee's sale of the debtor-LLC's property based on such membership disputes, precipitated the bankruptcy filing. *See id*. at *10 ("We agree that it is clear from this record that the issues relating to the Trust Deed and the filing of the Petition itself reflect the persistent LLC governance issues with which the State Court is familiar as the result of the Ownership Litigation."). Here, Debtor simply does not have $32 million to pay the SEC's judgment plus the hundreds of thousands of dollars asserted by other creditors. Debtor only has two choices: liquidation or reorganization. To equate Debtor's choice to attempt reorganization in lieu of liquidation as bad faith essentially defeats the entire purpose of the Bankruptcy Code and is not supported by the caselaw.[5] *See In re Rosenblum*, 608 B.R. at 540 ("In *Marsch v. Marsch (In re Marsch)*, 36 F.3d 825 (9th Cir. 1994), the Ninth Circuit agreed with the bankruptcy court's dismissal

[5] The SEC does not dispute Debtor's financial inability to pay the Judgment and thereby, indirectly, concedes that liquidation is the only option. Yet, instead of requesting conversion (which would make the most sense if the SEC's version of events is believed), it instead curiously requests dismissal to "allow the SEC to collect funds and propose a plan to the District Court for payments to harmed investors." Motion at 16:12-17. Again, confirmation of a plan in this chapter 11 case does not alter the SEC's ability to "collect funds."

of the case as a bad faith filing because, in pertinent part, the record reflected that the debtor had the financial means to pay the judgment that precipitated the bankruptcy filing.").

26. Moreover, the SEC's position is against its own interest (and those of the investors for whom the SEC expresses concern) because reorganization is the only way the Debtor can pay any substantial portion of the Judgment. Without a successful reorganization and future revenues to pay the Judgment, the SEC would have to attempt to satisfy the Judgment through liquidation of the Debtor's used office furniture, equipment, and other minimal personal property. If the SEC believes that a liquidation of the Debtor's personal property will provide a better outcome for payment of the Judgment, then the SEC is certainly not acting in the best interests of the investors, if they really are victims entitled to disgorgement proceeds.

27. Consequently, this factor does not weigh in favor of a finding that this case was filed in the absence of good faith.

28. Because none of the foregoing factors weigh in favor of dismissal, Debtor respectfully submits that the SEC has failed to satisfy its burden to show "cause" to dismiss or convert under Section 1112.

CONCLUSION

The Debtor has acted in good faith in filing its chapter 11 case to try to satisfy the Judgment in a fair and equitable manner along with paying its other allowed creditors. The Debtor wanted its former investors who suffered harm, if any, to file claims so that they can be fairly compensated for any losses. For that reason, despite the significant expense in doing so, the Debtor provided notice of this case with the claims bar date information to more than 6,000 potential creditors. The Debtor's business is profitable and can provide revenue for future plan payments. And the SEC's complaints about assumed plan terms that have not yet been proposed by the Debtor are premature. The SEC's apparent desire to force the Debtor to liquidate makes no sense if the SEC's intention is really to collect its Judgment for the benefit of "victims." The Debtor's actions and proposed actions thus far in this case are legitimate and proper reasons for chapter 11, and the SEC has not proven otherwise.

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In conclusion, the SEC has failed to carry its burden of proof to show that cause exists to dismiss or convert this case. Debtor therefore respectfully requests entry of an order denying the SEC's *Motion to Dismiss Chapter 11 Case, or in the Alternative, to Convert Case to Chapter 7* [ECF 76] and granting such other relief as may be appropriate.

DATED this 4th day of March, 2026.

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CERTIFICATE OF SERVICE

On March 4, 2026, the foregoing document was served via ECF automated system to all parties registered with ECF in this case on the date and time I filed the document with the Court's ECF system.

I declare under penalty of perjury that the foregoing is true and correct.

Dated March 4, 2026.

/s/ Norma Guariglia
____
Norma Guariglia