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COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CATALX CTS LTD.
APPLICANT	ALBERTA SECURITIES COMMISSION
DOCUMENT	**REPLY BRIEF**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	LAWSON LUNDELL LLP Barristers and Solicitors Brookfield Place 1100, 225 – 6th Ave SW Calgary, AB T2P 1N2 Telephone: (403) 269-6900 Fax: (403) 269-9494 Email: ateasdale@lawsonlundell.com / ehirst@lawsonlundell.com File No.: 34384-188393 **Attention: Alexis Teasdale / Eloise Hirst**

Reply Brief of the Alberta Securities Commission
for a Hearing before the Honourable Justice C.D. Simard
on the Calgary Commercial List, on January 6, 2026

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I. INTRODUCTION

1. This reply brief is a response to two issues raised for the first time in the Respondents'[1] brief filed November 28, 2025 (the "**Respondents' Brief**"). The Commission will address in its oral submissions before this Court the remaining submissions and arguments made in response to the Commission's brief of argument delivered on October 27, 2025, and filed October 30, 2025 (the "**Commission's Brief**").

2. The Respondents raise two issues that are not dealt with in the Commission's Brief:

   (a) The effect of the Releases on the public interest, and more specifically, allegations that the Commission "laid in the weeds" and acted in bad faith by not objecting to the Releases at the Approval Hearing.

   (b) The assertion that the set date hearing before the Commission on September 15, 2025 was a collateral attack on the Approval Order, and that this Application should be dismissed as a result.

3. As demonstrated in this Reply Brief, there is no merit to these arguments. These issues are an attempt to distract from those aspects of the Commission's application to which the Respondents have no good answer, including that the Commission is not a creditor with a claim provable in bankruptcy, and that there is a limit in law to this Court's jurisdiction to release third parties from steps taken by a regulator seeking to enforce public duties.

4. In the same vein, the Respondents' characterization of the Commission's participation in the receivership proceedings and the Proposal Proceedings and their characterization of the evidence before this Court during those proceedings about the Commission's investigation and the Releases, distracts from the fact that there was no discussion in the materials or on the record before Justice Neufeld about, among other things, the intended effect of the Releases on future regulatory proceedings undertaken by the Commission.

[1] All capitalized terms not defined in this Reply Brief have the meaning given to them in the Commission's Brief.

II. FACTS

5. The Respondents have cherry-picked statements by the Court and the Commission panel (the "**Panel**") presiding over the September 15, 2025 set date hearing (the "**September 15th Hearing**"), in many cases taking them out of context, and knitted them together to create the illusion that the scope and effect of the Releases on the Commission's investigation was clearly and deliberately presented by counsel to the Court and heard, considered, and determined by the Court.

6. The Respondents' manufactured narrative disguises the plain fact that counsel did not explicitly address with the Commission or the Court the intended scope of the Releases in relation to the Commission, or their intended effect on future proceedings by the Commission, and that the Court did not in its reasons expressly consider, address or determine those issues in the Approval Hearing.

7. What follows is the Commission's identification of statements the Respondents have taken out of context, provision of the missing context, and a demonstration that many of the bald assertions made in support of the Respondents' narrative do not accurately reflect the record.

A. *The Commission's Investigation as a "Central Focal Point" of these Proceedings*

8. The Respondents assert that "[t]he ASC investigation and the grounds upon which it now is pursuing its claims against CatalX and Mr. Park was a central focal point at every application." This statement grounds the Respondents' argument that Justice Neufeld was aware of the potential for future proceedings before the Commission and intended that the Releases would release all such proceedings.

9. While the materials filed in the receivership and Proposal Proceedings refer to the commencement and ongoing nature of the Commission's investigation, and counsel and the Court mentioned the investigation during the hearings of the four applications made in CatalX's insolvency proceedings, the references made to the investigation were limited to the fact of its existence, and the Receiver's and Mr. Park's cooperation with the

investigation. There was no discussion about the details of the investigation, and no reference to or discussion of any proceedings that may arise out of the investigation.

10. Critically, there was no discussion in the materials or in oral submissions by the parties, and no direct discussion by the Court during the hearings, about how the Releases were intended to apply to any future proceedings by the Commission that might arise out of the investigation.

11. While the Court would have known that the Commission had commenced an investigation, which was ongoing, and that Mr. Park and the Receiver were cooperating with the Commission in relation to their investigation, that is not enough to support the inference urged by the Respondents, that the Court: (a) knew the Commission was going to commence proceedings following the conclusion of the investigation; (b) understood the basis for those future proceedings in relation to Mr. Park; (c) knew what sanctions would be issued against Mr. Park; and (d) intended to release Mr. Park from those future proceedings and any sanctions arising from them.

B. *The Commission Panel made no Findings about the Clarity or Effect of the Releases*

12. The Respondents' Brief paints the Panel's decision to adjourn the procedural September 15th Hearing as a determination by the Panel of the scope and effect of the Releases. The Panel was not asked to and did not make any such determination.

13. The September 15th Hearing was procedural in nature and was convened for the purposes of setting a date to hear the merits of the Notice of Hearing. Counsel for Mr. Park presented their position that the Approval Order barred further proceedings before the Commission, and Staff counsel presented their contrary position that the Approval Order had no effect on the Commission proceedings. Both counsel acknowledged that the Respondents intended to appear before Justice Neufeld to seek advice and directions on the scope of the Approval Order.[2]

[2] Ceko Affidavit, Exhibit M, page 21, lines 24-26, page 22, lines 1-4, page 31, lines 23-26, and page 32, lines 1-8.

14. The Respondents state that the "ASC Panel refused to hear Staff's application due to its concern surrounding the unambiguous terms of the Releases that expressly stay administrative hearings by securities commissions and requested that Staff return the matter before Justice Neufeld for clarification…",[3] and that "[u]pon reviewing [the] language [of the Approval Order], the ASC Panel concluded that the September 15 ASC Hearing should not proceed despite the objections of ASC Staff."[4]

15. This assertion is incorrect because it mischaracterizes both the purpose of the September 15th Hearing, as well as what the Panel said during that proceeding. The Panel did not "refuse" to hear staff's application, nor did it conclude that the Approval Order barred Staff from proceeding with the September 15 set date hearing or express any concern about "the unambiguous terms of the Releases." The September 15th Hearing was not an application by Staff; it was a procedural step in the Commission's adjudicative process intended solely to set a hearing date. The Panel adjourned the set date hearing *sine die* based on the submissions of the parties, and stated that it "…would like to hear from Staff once this matter has returned before Justice Neufeld for … whatever specific remedy is sought from the Court to elucidate further the intention or content of this order and then specifically whether it purports to affect any enforcement proceeding that Staff are seeking to bring pursuant to the notice of hearing."[5]

C. *Statements about Mr. Park's Commendable Conduct are Taken out of Context*

16. The Respondents rely heavily on the Court's statements about Mr. Park's commendable conduct; however, they take these statements out of context and reframe them as comments relating to the propriety of the Releases, in an attempt to cast them as relevant to this Application. The following are examples of this reframing exercise, together with their true context, which reveals their actual meaning:

    (a) "CatalX and Mr. Park were actively assisting in the ASC investigation, conduct which was "incumbent on the Court to support that sort of proactive approach."[6]

[3] Respondents' Brief, para 6.
[4] Respondents' Brief, para 65.
[5] Ceko Affidavit, Exhibit M, page 42, lines 10-23.
[6] Ceko Affidavit, Exhibit E, page 8, lines 19-23.

This quote is taken out of context – the Court is not referencing Mr. Park actively assisting the Commission's investigation, it is referencing Mr. Park's actions in commencing and funding the Receivership.[7]

(b) "In making its decision to approve the Proposal with the comprehensive Releases, the Court determined it was made in good faith and that Mr. Park in particular 'stepped up' and 'acted in good faith.'"[8] Here, the Court is not directly addressing the Releases, rather, it is addressing whether the Proposal was made in good faith.[9] Moreover, the accepted test for a third-party release does not on its face require consideration of good faith, [10] and while the factors identified in the case law are non-exhaustive, neither counsel nor Justice Neufeld referenced or applied the test for a third-arty release at the Approval Hearing.

(c) "The Court noted that the Releases were in exchange for Mr. Park's substantive and meaningful contributions."[11] The Court does not find anywhere in its reasons that Mr. Park made "substantive and meaningful contributions". The Court merely says, in reference to the amount of money the directors contributed to the Proposal, "All right. But what they're receiving in return is a release – …".[12]

17. The Respondents' characterization of Mr. Park's conduct in commencing the Proposal Proceedings also disguises the fact that Mr. Park was the subject of the Commission's investigation for a potential breach of securities laws for actions he took before he took steps to commence the receivership and the Proposal Proceedings. Mr. Park's decision to commence these proceedings and his cooperation with the Commission's investigation are

[7] Ceko Affidavit, Exhibit E, page 8, lines 19-23.
[8] Respondents' Brief, para 51.
[9] Ceko Affidavit, Exhibit K, page 21, lines 33-41.
[10] Per the Ontario Superior Court in *Re Green Relief Inc.*, in considering whether to approve releases in restructuring proceedings, the following non-exhaustive list of factors should be considered, noting that it is not necessary for each factor to apply for the release to be granted: (a) Whether the released claims are rationally connected to the purpose of the restructuring; (b) Whether the restructuring can succeed without the releases; (c) Whether the parties being released contributed to the restructuring; (d) Whether the releases benefit the debtors as well as the creditors generally; (e) Creditors' knowledge of the nature and effect of the release; and (f) Whether the releases are fair, reasonable and not overly broad. *Re Green Relief Inc.*, 2020 ONSC 6837 at paras 27-28 [*Green Relief*] [**Respondents' Book of Authorities, TAB 8**]
[11] Respondents' Brief, para 101.
[12] Ceko Affidavit, Exhibit K, page 8, lines 33-41.

not relevant to the issue of whether Mr. Park breached the *Securities Act*, or the question of whether the Releases preclude the Commission from continuing its regulatory proceedings to determine that issue.

18. In summary, the Commission urges this Court to disregard the Respondents' narrative about what Justice Neufeld knew and considered in making his decision, and what the Panel determined at the September 15, 2025 hearing, and focus on what was actually said and done by counsel, the Court, and the Panel.

III. ISSUES

19. This Reply Brief focuses on the two narrow issues identified above:

    (a) Whether the Commission acted in bad faith by not objecting to the Releases at the Approval Hearing; and

    (b) Whether the September 15th Hearing was a collateral attack on the Approval Order.

20. The answer to both questions is no.

IV. LAW & ARGUMENT

A. *The Commission Acted in Good Faith*

21. The Respondents assert that "…the Commission was obligated by its duty of good faith to come forward with a claim and oppose the Releases at the Approval Hearing if they took issue with them being impacted by it," and that "…if the [Commission] had concerns that the Court was usurping its jurisdiction by releasing 'any and all Claims or contingent Claims of any securities commission', then the proper time to raise that issue was on or before the June 20 Hearing."

22. These arguments ignore the fact that the Commission had no "Claim" within the meaning of the Proposal or the Approval Order. The duty of good faith in the context of insolvency proceedings does not require a party that does not believe it has a claim provable to manufacture one and oppose an order based on that manufactured claim.

23. The Director Release expressly releases "…any and all Claims or contingent Claims of any securities commission…". "Claim" is defined in the Proposal to include only claims provable in bankruptcy. As outlined in the Commission's Brief, the 'claims' of the Commission do not meet the test under *AbitibiBowater* to be claims provable in bankruptcy.[13]

24. In turn, because the Commission did not have a "Claim", the Commission did not take issue with its being impacted by the Approval Order because it did not believe itself to be impacted. The Commission's position has consistently been that the Approval Order has no effect on the ASC proceedings because the Commission is not and has never been a creditor with a claim provable in bankruptcy.[14]

25. For the same reason the Commission did not take issue with the Approval Order, the Commission had no concerns that the Court was usurping the Commission's jurisdiction at the time of the Approval Hearing. That concern arose on August 19, 2026, when the Respondents took the position that the Approval Order purported to release Mr. Park from potential future sanctions that the Commission may issue against him and barred the Commission from continuing with the hearing. The Respondents' interpretation requires the Court to have determined whether Mr. Park had breached the *Securities Act*, and that if he did breach the *Securities Act*, the appropriate sanctions constituted "Claims".

26. The Respondents also say that the Commission "…sat on its rights and strategically maneuvered or positioned itself to gain a strategic advantage." Presumably they are suggesting the Commission knew it had "Claims or contingent Claims" against Mr. Lee and Mr. Park long before the Approval Hearing and could have taken the steps to crystallize those Claims at an earlier time but chose not to for strategic reasons.

27. This argument fails both because there is no evidence to support it, and because it ignores the fact that the ASC proceeding involving Mr. Park and Mr. Lee is an enforcement step

[13] Commission's Brief, paras 53-83. At paragraph 83, the Commission concludes that "…the *AbitibiBowater* Test is not met: the Commission is not a creditor, and any prospective future sanctions the Commission may order against CatalX and Mr. Park are not debts, obligations or liabilities incurred prior to the Filing Date or Implementation Date, and in any event, are too remote or speculative for monetary value to be attached to them."
[14] Ceko Affidavit, Exhibit M, page 25, lines 22-24; Dunphy Affidavit, Exhibit F.

taken by a regulator seeking to enforce public duties, not to make claims as a creditor,[15] which is virtually certain to result in non-monetary public interest market bans or restrictions and other non-monetary sanctions against Mr. Lee and Mr. Park, to the extent they are found to have breached the *Securities Act*.[16]

28. In making the argument that the Commission "laid in the weeds" for strategic reasons, the Respondents rely on their assertion that the Commission's investigation was "predominantly carried out a full year before the hearing", which they appear to base on the fact that most of the Commission's interviews were carried out in December 2023 and June 2024 (based on a spreadsheet that was provided to the Respondents at their request to identify the interview exhibits and assist them in reviewing Staff's disclosure).

29. The completion dates of the Commission's interviews do not establish that the investigation was "predominantly complete" by June of 2024. The Respondents neither presented, nor attempted to elicit through cross-examination, any evidence about the nature, structure, and timing of ASC investigations and prosecutions. They invite this Court to infer, based on a single document presented through a secretarial affidavit, that a Commission investigation is comprised solely of a series of interviews, and that when those interviews are complete, the investigation is over. For example, the Respondents' submissions fail to recognize that the investigation was not premised solely on interviews, but also on the collection and review of substantial documentary evidence. As noted by Staff counsel at the set date hearing before the Commission on September 15, 2025, the disclosure in the matter was voluminous.[17] The Respondents also invite the unsupported inference that once an investigation is complete, a Notice of Hearing will immediately be issued.

30. In terms of what was presented to the Court at the Approval Hearing, in the Receiver's Second Report dated June 6, 2025, the Receiver confirms that the Commission's investigation was ongoing.[18] During his submissions at the Approval Hearing, counsel to

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[15] *Orphan Well Association v Grant Thornton Ltd.*, 2019 SCC 5, at para 135 [***Redwater***] **[Commission's Book of Authorities, TAB 4]**.
[16] Brief of Argument of the Alberta Securities Commission filed October 30, 2025 at para 65 and Appendix "A".
[17] Ceko Affidavit, Exhibit M, page 5, lines 24-26, page 6, lines 1-6.
[18] Ceko Affidavit, Exhibit I at para 25.

the Receiver advised the Court that, to the Receiver's knowledge, the Commission's investigation was continuing.[19]

31. The Respondents state that the Notice of Hearing is the first instance of Mr. Park being named as a respondent in the Commission's proceedings.[20] The Respondents suggest this is evidence of the Commission laying in the weeds, which is pure conjecture, with no foundation in the evidence. A competing and at least equally plausible inference is that the Commission did not have sufficient grounds to find that Mr. Park might be liable for breaching the *Securities Act* until closer to the time it issued the Notice of Hearing.

32. The Respondents attempt to draw a parallel between the decision of this Court in *Taber Water Disposal Inc. (Re)*[21] and this case. *Taber Water* is distinguishable. The contrast between the conduct of the party found to be acting in bad faith in *Taber Water* and the Commission's conduct in this case is stark. The Respondents' attempt to equate the Commission's conduct to that of the respondent in *Taber Water* should be dismissed out of hand.

33. In *Taber Water*, 2635672 Alberta Ltd. (the "**Purchaser**") purchased an interest in an oilfield out of insolvency proceedings, pursuant to an approval and vesting order ("**AVO**"). The co-owner and operator of the oilfield ("**Whitehaven**") refused to recognize the Purchaser as a joint owner, asserting that another party ("**Arrow**") was the true owner of the interest sold to the Purchaser.

34. At a high level, Whitehaven's conduct in *Taber Water* included representing to the Court that it would not challenge the debtor's ownership interest in the oilfield if it was made the operator of the oilfield,[22] making no submissions at the hearing to approve the sale to the Purchaser,[23] then after the sale had closed, taking the position that it was not bound to accept the Purchaser as a working interest owner in the oilfield.[24] Later, while the

[19] Ceko Affidavit, Exhibit K, page 4, lines 2-4.
[20] Reply Brief of the Respondents, filed December 1, 2025 at para 54.
[21] *Taber Water Disposal Inc. (Re)*, 2024 ABKB 680 [***Taber Water***] [**Respondent's Book of Authorities, TAB 29**].
[22] *Ibid*, at para 6.
[23] *Ibid*, at para 9.
[24] *Ibid*, at para 10.

Purchaser's application for a declaration of ownership was pending, an affiliate of Whitehaven purported to purchase the disputed interest from Arrow for no cash.[25]

35. The Court found that Arrow had breached its duty of good faith by not coming forward with its claim to the disputed interest in the oilfield at the AVO application, and held that the appropriate remedy was to draw an adverse inference that Arrow did not own the disputed interest.[26] Feasby J. held that Arrow's silence was contrary to the interests of Taber, creditors and the Purchaser, and was anathema to the efficient administration of the insolvency process.[27] The Court found that the evidence challenging the debtor's ownership of the disputed interest was "superficial and self-serving", and that the evidence before it overwhelmingly supported a finding that the debtor owned the interest.[28]

36. The character and nature of the parties alleged to have breached their duty of good faith in *Taber Water*, and the actions taken by those parties are obviously and entirely different than the character and nature of the Commission and its actions in this case.

37. In sharp contrast to the rogues in *Taber Water*, the Commission is a statutory public interest regulator with a mandate to protect investors and foster a fair and efficient capital market. Its actions in relation to CatalX and Mr. Park are in service of that mandate, not its personal economic interests.

38. The Commission never represented to the Court or CatalX that it had a claim provable that it understood would be impacted by the Releases (nor was it identified as a creditor in the Proposal Proceedings).[29] There was no attempt by the Commission to resile from a position taken by it in the receivership or the Proposal Proceedings. The Commission presented no superficial or self-serving evidence and took no action akin to manufacturing a purported sale to bolster its position. As stated above, there is no evidence that the Commission deliberately delayed issuing a Notice of Hearing for strategic reasons.

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[25] *Ibid*, at para 12.
[26] *Ibid*, at paras 34-35.
[27] *Ibid*, at para 34.
[28] *Ibid*, at para 53.
[29] Form 40, Report of Trustee on Proposal, In the Matter of the Proposal of CatalX CTS Ltd., filed June 11, 2025, Exhibit B and Exhibit C3.

39. The Commission's decision not to address or object to the Releases was driven by its position that it did not have a claim provable in bankruptcy and therefore was not affected by the Releases. It was not a deliberate decision to keep silent for strategic purposes, nor an attempt to derail the Proposal Proceedings.

40. The Commission's conduct cannot be considered abhorrent to the efficient administration of the insolvency process. The Releases are designed to release a specific, enumerated set of claims, and expressly permit certain types of claims to proceed. If a claim that CatalX or Mr. Park believes to be barred by the Releases is brought, they can (as they are doing now) argue that the claim cannot proceed, and if necessary, seek guidance from this Court on whether the Releases release the claim at issue. This is not anathema to the insolvency process, rather it is an anticipated and accepted corollary of the process.

41. The Court in *Taber Water* held that Arrow's non-participation in the insolvency proceedings is consistent with it not having a *bona fide* interest in the assets that were sold.[30] Here, the Commission's non-participation in the Approval Hearing is consistent with it not having a claim provable in bankruptcy, and not being a creditor, such that it had no reason to appear on the record at the Approval Hearing or say anything about the scope of the Releases.

42. The Court in *Taber Water* quotes an article by Dr. Janis Sarra, which in part outlines the principles and best practices that courts should make clear in relation to the duty of good faith in insolvency proceedings, including that all stakeholders in insolvency proceedings should have appropriate regard for the legitimate interests of the other creditors and stakeholders, and not seek to undermine the interests of others in bad faith, and that the good faith obligation includes a duty of stakeholders to disclose all of their real economic interests in insolvency proceedings.[31]

43. The Commission is not seeking to undermine the legitimate interests of other creditors or stakeholders, nor did it have a "real economic interest" in CatalX's proposal proceedings. The Commission has a legitimate, non-economic, regulatory interest in pursuing a hearing

[30] *Taber Water*, at para 35 [**Respondent's Book of Authorities, TAB 29|**..
[31] *Ibid*, at para 33.

against CatalX, Mr. Park and Mr. Lee, pursuant to its public interest mandate. To the extent Mr. Park is attempting to use the insolvency process to avoid his regulatory obligations and any non-monetary sanctions that may result, it is not a legitimate interest of the sort referred to by the Court in *Taber Water*.

44. The Respondents assert that the Commission's "failure to bring timely claims against CatalX and Mr. Park or to oppose the Releases undermines the objectives of the regime of ensuring equitable distribution and a fresh start."[32]

45. This argument ignores the decision of the Supreme Court in *Redwater* and misapplies the fresh start principle. Per *Redwater*, the BIA regime is not a license to ignore valid provincial laws and does not shield a debtor or its estate from complying with binding non-monetary regulatory obligations.[33] With respect to Mr. Park, the BIA ensures equitable distribution and a fresh start for debtors – not for their directors.

46. Furthermore, the fresh start principle pertains to the financial rehabilitation of the bankrupt, allowing them to be released from outstanding debts, subject to the exceptions outlined in s. 178(1) of the BIA. Neither the fresh start principle nor the exceptions thereto relate to non-financial, regulatory obligations, such as market restrictions. The Respondents do not address this issue and focus only on the impact of the BIA regime on monetary penalties that may be imposed against them.

B. *The September 15, 2025 Hearing was not a Collateral Attack on the Approval Order*

47. The Commission agrees with the Respondents that a collateral attack is "an attack on an order 'made in proceedings other than those whose specific object is the reversal, variation or nullification of the order'", and that the rule against collateral attack protects the rule of law and preserves the reputation of justice system.

48. The Commission disagrees that the Panel's decision to proceed with the September 15th Hearing is properly characterized as a collateral attack. As stated, for a proceeding to

[32]. Respondents' Brief, para 163.
[33] *Redwater*, at para 160 **[Commission's Book of Authorities, TAB 4]**.

constitute a collateral attack, it must have as its object the reversal, variation or nullification of an order. Neither the September 15th Hearing nor the present application was or is intended to determine the meaning and scope of the Approval Order – there is no attempt to reverse, vary or nullify the Approval Order, only a question of its scope and effect.

49. The September 15th Hearing was procedural in nature, for the purpose of setting a future hearing date for the allegations made in the Notice of Hearing to be considered on their merits.[34] Upon learning of the dispute respecting the interpretation of the Releases as between the Staff and the Respondents, the Chair of the Panel adjourned the proceedings *sine die* until the matter could be resolved before this Court.[35]

50. Even if the September 15th Hearing were a collateral attack, which is denied, the remedy would not be to dismiss the present application, but instead to adjourn the Commissions' proceedings until the question of collateral attack could be determined.

51. The Respondents also say the Commission argues that aspects of the Approval Order are contrary to section 72 of the BIA, which they appear to rely on for the principle that the Approval Order must be considered final and binding. The Respondents misunderstand the Commission's argument, which is that <u>if</u> the Respondents' interpretation of the Approval Order is correct, <u>then</u> aspects of the Approval Order would be contrary to s. 72 of the BIA. On the Commission's interpretation – that the Approval Order does not bar the Commission's proceedings under the Notice of Hearing – the Approval Order is not contrary to s. 72 of the BIA. There is no dispute that the Approval Order is final and binding – only a dispute over the scope of that final and binding order.

52. As described, the Respondents and the Commission offer conflicting interpretations of the Approval Order and Releases contained therein. When a court is faced with two possible interpretations of an Order, the interpretation which produces a legal result and, in this case, the interpretation that is consistent with the provisions of the BIA, should be preferred.

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[34] Secretarial Affidavit of Marica Ceko, sworn November 28, 2025, Exhibit "M" page 440, lines 8-14.
[35] Secretarial Affidavit of Marica Ceko, sworn November 28, 2025, Exhibit "M" page 475, lines 10-23.

53. Based on this principle, the Commission argues that granting a release from the Commission's proceedings would contravene s. 72 of the BIA. These arguments are not a collateral attack on the Approval Order. They are offered to aid this Court in interpreting its own order, not to request that this Court reverse, vary or nullify the Approval Order.

V. CONCLUSION

54. Based on the arguments in this Reply Brief, and in the Commission's Brief, the Commission again respectfully requests that this Court declare that:

(a) The Approval Order does not prohibit the Commission from continuing with securities regulatory proceedings pursuant to the Notice of Hearing; and

(b) The Approval Order does not release CatalX or Mr. Park from future orders made pursuant to the Hearing.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 12th day of December, 2025.

LAWSON LUNDELL LLP

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