July 6, 2022

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

The purpose of this notice is to provide an update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds.

Update on the Receiver's Realization Actions

As communicated in its previous Reports to Court and Notices to Investors, the Receiver advised that it would be making further efforts to advance its investigations and realizations regarding the remaining assets, otherwise known as Off-Book Investments. Such efforts have included, among other things, issuing demands for payment, commencing and continuing the litigation and bankruptcy proceedings against over 20 specific companies and individuals, and enforcing on personal guarantees provided by individuals, all in jurisdictions within and outside of Ontario.

The Receiver would like to emphasize that a large portion of the assets contained in the Crystal Wealth Funds are not easily saleable, essentially as they are very illiquid with limited markets and/or opportunities for realization. Such assets include but are not limited to: (i) commercial loans and factoring contracts of lower grade investment quality; (ii) residential mortgages in limited real estate markets where some are non-performing and are in various stages of foreclosure; (iii) loans to companies with operations in remote locations in relation to gold prospecting and production companies; (iv) holdings in limited partnerships and participation in sports agreements where the investment structure is complex with realization of same being dependent on other participating parties; and (v) equities and fixed income investments with limited, if any, trading opportunities.

The Receiver is continuing to pursue various avenues to realize on these remaining investments in a cost-effective manner. The Receiver recognizes that the realization of these investments is taking time, but the Receiver would like to assure investors that it is working to get the best outcome possible for investors as there are still a few investments that require the fulness of time in order to facilitate maximization of same. Once complete, the Receiver will be in a position to provide an update with respect to the timing and quantum of the next and likely final distribution to the investors of the Crystal Wealth Fund(s), if applicable. However, at this time there are not enough monies in such funds to warrant another distribution this year.

Copies of materials filed in these receivership proceedings, including but not limited to Reports to Court, Notices to Investors and Court Orders can be accessed from the Receiver's Case Website noted below.

Receiver’s Action against BDO Canada LLP

The Receiver understands that some investors would like some clarity about the Receiver’s action against BDO Canada LLP (“**BDO**”). As detailed in the Fifth Report and in various Notices to Investors beginning on January 27, 2020, the Court approved the Receiver’s settlement agreement with BDO which reflected that the Receiver receive a total consideration of $32.5 million under that settlement agreement. The Receiver distributed a large portion of the proceeds of this settlement agreement, along with the proceeds of the realization efforts to date, as part of the third interim distribution on July 21, 2020. Therefore, the Receiver’s action against BDO has been settled. No further actions against BDO will be undertaken by the Receiver.

Class Action Whitehouse v. BDO

The Receiver also understands that some investors would like some clarity about the proposed class action *Whitehouse v. BDO Canada LLP* in which Whitehouse was represented by Adair Goldblatt Bieber LLP (“**AGB**”). The Receiver understands that certification of the class action was denied by the Ontario Superior Court of Justice, and that all appeals of that decision have been exhausted. As such, the Receiver understands that the class action shall not be certified by the Courts and will not proceed. More details can be found on the below website from AGB: http://agbllp.com/class-actions/whitehouse-v-bbdo-canada-llp.html.

The Receiver encourages investors to review the Receiver’s Case Website for further information, however, please do not hesitate to contact the Receiver at any time should you have any questions.

Toll Free Number: +1 (866) 448-5867
Email: Crystal.Wealth@ca.gt.com
Receiver’s Case Website: www.GrantThornton.ca/CrystalWealth

DATED at Toronto, Ontario, this 6th day of July, 2022.

Grant Thornton Limited,
solely in its capacity as the Court-appointed Receiver and Manager of the Crystal Wealth Group, and not in its corporate or personal capacity