Court File No. CV-17-11779-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, CLJ EVEREST LTD., 1150752 ONTARIO LIMITED, CRYSTAL WEALTH MEDIA STRATEGY, CRYSTAL WEALTH MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED RESOURCE & PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED BULLION FUND, ABSOLUTE SUSTAINABLE DIVIDEND FUND, ABSOLUTE SUSTAINABLE PROPERTY FUND, CRYSTAL WEALTH ENLIGHTENED HEDGE FUND, CRYSTAL WEALTH INFRASTRUCTURE STRATEGY, CRYSTAL WEALTH CONSCIOUS CAPITAL STRATEGY, CRYSTAL WEALTH RETIREMENT ONE FUND and CHRYSALIS YOGA INC.

Respondents

APPLICATION UNDER SECTION 129 OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

FACTUM OF THE RECEIVER

Date: February 16, 2018

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Lawyers for Grant Thornton Limited, in its capacity as Receiver and Manager of Crystal Wealth Management System Limited, Clayton Smith, Crystal Wealth Media Strategy, Crystal Wealth Mortgage Strategy, Crystal Enlightened Resource & Precious Metals Fund, Crystal Wealth Medical Strategy, Crystal Wealth Enlightened Factoring Strategy, ACM Growth Fund, ACM Income Fund, Crystal Wealth High Yield Mortgage Strategy, Crystal Enlightened Bullion Fund, Absolute Sustainable Dividend Fund, Absolute Sustainable Property Fund, Crystal Wealth Enlightened Hedge Fund, Crystal Wealth Infrastructure Strategy, Crystal Wealth Conscious Capital Strategy, Crystal Wealth Retirement One Fund, CLJ Everest Ltd., and 1150752 Ontario Limited

TO: SERVICE LIST

Court File No. CV-17-11779-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, CLJ EVEREST LTD., 1150752 ONTARIO LIMITED, CRYSTAL WEALTH MEDIA STRATEGY, CRYSTAL WEALTH MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED RESOURCE & PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED BULLION FUND, ABSOLUTE SUSTAINABLE DIVIDEND FUND, ABSOLUTE SUSTAINABLE PROPERTY FUND, CRYSTAL WEALTH ENLIGHTENED HEDGE FUND, CRYSTAL WEALTH INFRASTRUCTURE STRATEGY, CRYSTAL WEALTH CONSCIOUS CAPITAL STRATEGY, CRYSTAL WEALTH RETIREMENT ONE FUND and CHRYSALIS YOGA INC.

Respondents

APPLICATION UNDER SECTION 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

FACTUM OF THE RECEIVER

PART I – OVERVIEW

1. On April 26, 2017, this Court granted an order (the "**Appointment Order**") appointing Grant Thornton Limited as the receiver and manager (in such capacity, the "**Receiver**") of (i) each of the Respondents except the Respondent, Chrysalis Yoga Inc. ("**Chrysalis Yoga**") (the Respondents except for Chrysalis Yoga being collectively referred to as the "**Crystal Wealth Group**"); and (ii) Receiver of the account of Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the "**Chrysalis Account**").[1]

[1] Second Report of the Receiver dated November 24, 2017 ("**Second Report**").

2. On June 23, 2017, this Court granted a further Order approving a sales process (the "**Sales Process**") conducted by the Receiver in respect of the assets of certain of the proprietary open-ended mutual fund trusts within the Crystal Wealth Group ("**Funds**"), including, but not limited to, Crystal Wealth Media Strategy (the "**Media Fund**").

3. The assets of many of the Funds have long maturities and are not actively traded. Many of the assets are impaired. The Sales Process is a method of creating immediate value from such assets where doing so would be in the best interests of investors.

4. The Sales Process resulted in an offer (the "**Bron Offer**"), made by Bron Releasing Inc. (the "**Purchaser**"), to purchase the Receiver's right, title and interest in and to all of the Media Loans (as defined below) held by the Media Fund (the "**Sale Assets**", as defined and described more particularly in the asset purchase agreement between the Receiver and the Purchaser dated February 2, 2018, the "**APA**").[2]

5. No other cash offers were made to purchase the Sale Assets. Based upon the limited projected amounts which are reasonably likely to be recovered by the Media Fund with respect to the Media Loans, the Receiver's expert advisor, Quiver Capital Inc. ("**Quiver**", whose engagement was approved by this Court), has recommended that the Receiver accept the Purchase Price (as defined in the APA).[3]

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[2] Motion Record of the Receiver dated February 8, 2018 ("**Motion Record**"), Supplement to the Second Report of the Receiver dated February 8, 2018 (the "**Second Report Supplement**"), appended in redacted form at Appendix "1" and in unredacted form at Confidential Appendix "1".

[3] The "Quiver Report," as defined and described in the Second Report at para. 218, is a sealed appendix to the Second Report, having been sealed in accordance with the Order of Myers J. made December 11, 2018; an additional copy has been filed with the Court on this motion for its convenience.

6. The transaction contemplated by the APA (the "**APA Transaction**") is subject to approval by this Court. Accordingly, the Receiver now brings this motion, seeking, amongst other relief:

(a) an Order approving the APA, authorizing the transaction contemplated thereby, and vesting in the Purchaser the right, title and interest in the Sale Assets, subject to the terms of the APA;

(b) an order approving an assignment agreement (the "**Assignment Agreement**") entered into among the Receiver, as assignee, and certain affiliates of the Purchaser, namely Bron Studios Inc. ("**BSI**") and Bron Animation Inc. ("**BAI**", and together with BSI, the "**Bron Assignors**"), each as assignors, which Assignment Agreement is conditional on the closing of the APA Transaction; and

(c) an order sealing the confidential appendix to the Second Report Supplement of the Receiver (the "**Confidential Appendix**") until further Order of this Court, which contains commercially-sensitive information relating to pricing, the public release of which would prejudice the Crystal Wealth Group's stakeholders if the APA Transaction does not close.

PART II – FACTS

7. The Receiver was appointed as the Receiver of the Crystal Wealth Group on application of the Ontario Securities Commission under s. 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Securities Act**"), based in part on the Commission's concerns regarding potential breaches of the Securities Act by Crystal Wealth Management System Limited (the "**Company**") and its directing mind, Clayton Smith ("**Smith**"), including with respect to the Media Fund.[4]

8. The Appointment Order, among other things, empowers and authorizes the Receiver;

(a) pursuant to s. 6(j), to market any or all of the Property (as defined in the Appointment Order), including soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate, subject to the requirement of obtaining approval of this Court where applicable in accordance with s. 6(k) of the Appointment Order; and

(b) pursuant to s. 6(l), to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser.

9. The Receiver has filed its Second Report Supplement and the Confidential Appendix thereto outlining, among other things:

(a) the Receiver's activities;

(b) the Sales Process and the resulting APA and the Assignment Agreement;

(c) the transactions contemplated by each of those agreements; and

(d) the rationale as to why the Receiver, and its expert advisors, believe that the consideration from the APA and Assignment Agreement represents the best recovery possible from the Sale Assets in the circumstances.[5]

10. The particulars of the Sales Process and the Receiver's marketing approach are set out in detail in the Second Report.[6] To summarize, in carrying out the Sales Process, the Receiver:

(a) wrote to a list of fifteen entities who had indicated that they had an interest in either submitting a cash purchase offer or an offer to assume the management of one or more of the Crystal Wealth Funds,[7] as well as, with the assistance of its transactions team (Grant Thornton Corporate Finance Inc.) identifying and contacting an additional nine asset management companies with alternative investment portfolios;[8]

(b) obtained non-disclosure agreements from the potential bidders;[9]

(c) assisted the potential bidders with their due diligence and provided information regarding the Crystal Wealth Group's assets,[10] including the provision and maintenance of a data room;[11]

(d) marketed the Sales Process, both on a targeted basis and in national news media and global publications;[12]

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[4] First Report of the Receiver dated June 22, 2017, ("**First Report**"), paras. 5-6.
[5] Second Report Supplement, Tab B.
[6] Second Report, paras. 423-432.
[7] Second Report, para. 425.
[8] Second Report, para. 430.
[9] Second Report, para. 426.
[10] Second Report, para. 432.
[11] Second Report, para. 427.

(e) obtained an independent appraisal from Quiver to assist it in evaluating bids received in respect of the gap and tax credit Media Loans held by the Media Fund.[13]

11. As a result of the Sales Process, the Receiver received seven offers: three offers to assume management duties of some or all of the listed Crystal Wealth Funds' investment activities and duties to investors ("**Management Offers**"), three cash purchase offers for various assets ("**Cash Purchase Offers**") and one purchase offer for certain assets in exchange for preferred shares issued to investors (the "**Preferred Share Offer**", and collectively with the Management Offers and the Cash Purchase Offers, the "**Offers**").[14]

12. For reasons described in detail in the Second Report, all but one of the Offers was rejected by the Receiver.[15] The remaining Offer is the Bron Offer.

13. The Bron Offer, which resulted in the APA, involves the sale by the Receiver of the right, title, and interest in the remaining Media Loans, which are described at paragraphs 210 to 219 of the Second Report.[16] Aside from the Purchase Price which will be obtained if the APA Transaction is completed with the Purchaser, the Receiver has separately collected a total of $6,859,188 and US$153,591 with respect to the Media Loans since its appointment.[17]

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[12] Second Report, para. 429.
[13] Quiver's engagement and scope of work is described at paras. 214-217 of the Second Report.
[14] Second Report, para. 433.
[15] Second Report, paras. 446-447; Confidential Appendix 6 to the Second Report.
[16] Second Report, para. 210.
[17] Second Report, para. 219.

14. On the basis of the projected value and limited likelihood of recovery on certain of the Media Loans, as detailed in the Quiver Report, as well as the lack of any other offers for the purchase of the Media Loans through the Sales Process, the Receiver continued negotiations with the Purchaser in an effort to finalize the terms of the APA.[18]

15. The Assignment Agreement is an additional result of such negotiations. Through the Creditor Claims Procedure authorized by this Court on June 20, 2017,[19] the Bron Assignors each filed Proofs of Claim (the "**Proofs of Claim**") against Smith for personal loans advanced to him in the aggregate principal sum of $8,512,592.[20]

16. According to the Proofs of Claim, as at August 3, 2017, Smith is indebted to the Bron Assignors in the total sum of $12,243,455 given accrued interest on the outstanding indebtedness.[21] The Receiver negotiated the Assignment Agreement as a condition of its agreement to enter into the APA, given: (i) it provides a further potential source of recovery to the Receiver; and (ii) the concerns raised by the Commission (which are disputed by the Bron Assignors and the Purchaser) about funds which were traced from the Media Fund to either Media House Capital (Canada) Corp. or BAI, and which ultimately appeared to be traced to Smith or his holding company, CLJ Everest Ltd..[22]

17. After considering, among other factors: (i) the lack of any other cash Offers for the Media Loans, after a thorough Sales Process undertaken by the Receiver, in conjunction with Quiver's efforts to maximize the recovery of the Media Loans through utilizing its extensive involvement and connections throughout the world in the film and television financing and distribution

[18] Second Report Supplement, para. 9
[19] Second Report Supplement, para. 14.
[20] Second Report Supplement, para. 12; Appendices 3 and 4.
[21] Second Report Supplement, para. 12; Appendices 3 and 4.

industry;[23] (ii) Quiver's underlying analysis in recommending that the Receiver accept the Purchase Price (as defined in the APA) being offered by the Purchaser;[24] (iii) the additional consideration for the potential benefit of investors represented by the Assignment Agreement; and (iv) the potential cost, duration, and uncertainty of other avenues of recovery, the Receiver has concluded that the APA, the Assignment Agreement and the transactions contemplated thereby (the "**Transactions**") are likely to yield the best recovery possible on the Media Loans, and in turn, for investors of the Media Fund.[25]

18. A condition of closing under the APA is that the Court make an approval and vesting order in respect of the Sale Assets.[26]

PART III – THE ISSUES

19. The issues to be considered by this Honourable Court are, among other things:

(a) whether the Court should approve the APA, the Assignment Agreement, and the transactions contemplated thereby, and vest the Sale Assets in the Purchaser subject to the terms of the APA and the draft Approval and Vesting Order sought by the Receiver and the Purchaser; and

(b) whether the Court should seal the Confidential Appendix until the completion of the APA Transaction or further Order of this Court.

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[22] Second Report Supplement, paras. 11, 13-14.
[23] First Report of the Receiver dated paras. 110 to 111.
[24] Quiver Report, Sealed Appendix to Second Report.
[25] Second Report Supplement, para. 17.
[26] Second Report Supplement, Appendix 1, s. 4.2(c).

PART IV – LAW AND ARGUMENT

I. The Receiver Recommends that the Transactions be Approved

20. In determining whether to approve a proposed sale of assets by a receiver, Ontario courts have consistently and uniformly applied the principles set out by the Ontario Court of Appeal in *Royal Bank v. Soundair*.[27]

21. In reviewing a proposed sale of assets by a receiver, the Court must consider the following:

(a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;

(b) whether the interests of all parties have been considered;

(c) the efficacy and integrity of the process by which offers are obtained; and

(d) whether there has been unfairness in the working out of the process.[28]

22. Further, in *Soundair*, Galligan J.A. adopted as his own the following statements by Anderson J. in *Crown Trust Co. v. Rosenberg* (1986), 60 O.R. (2d) 87 (H.C.J.):

> This court should not proceed against the recommendations of its receiver except in special circumstances and where the necessity and propriety of doing so are plain. Any other rule or approach would emasculate the role of the receiver and make it almost inevitable that the final negotiation of every sale would take place on the motion for approval.

[27] *Royal Bank of Canada v. Soundair Corp.* (1991), 4 O.R. (3d) 1 (Ont. C.A.); Brief of Authorities of the Receiver ("Brief of Authorities"), Tab 1 [Soundair].

[28] *Soundair*, at page 6.

> ... It is equally clear, in my view, though perhaps not so clearly enunciated, that it is only in exceptional cases that the court will intervene and proceed contrary to the receiver's recommendations if satisfied, as I am, that the receiver has acted reasonably, prudently and fairly and not arbitrarily.[29]

23. In the present case, each element of the *Soundair* test has been met:

(a) *Efforts to Obtain the Best Price*: The Receiver actively marketed the Sale Assets, amongst other assets, to a wide audience as well as a targeted subset thereof. It also retained Quiver to utilize its extensive experience and connections throughout the world in the film and television financing and distribution industry in order to maximize recovery of the Media Loans, and to investigate future recovery prospects. The APA, the Assignment Agreement, and the transactions contemplated thereby will generate value for stakeholders, there are no competing offers, and Quiver is of the view that accepting the Purchase Price under the APA is advisable in contrast to the further pursuit of recovery under the Media Loans in a piecemeal fashion through collection and enforcement efforts against the underlying obligors, where possible. The Purchase Price is the result of considerable negotiation between the parties thereto.

(b) *Interests of All the Parties*: In the circumstances, the APA is in the interests of all the parties with an economic interest in the Sale Assets, particularly the interests of investors in the Crystal Wealth Funds, and particularly the Media Fund. With no other cash offers in the Sales Process that involve the Sale Assets, and the uncertain quantum of recovery if the Transactions do not proceed as outlined in

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[29] *Soundair*, at page 16; *Crown Trust Co v. Rosenberg* (1984), 60 O.R. (2d) 87 at pages 109 and 111 (H.C.J.); Brief of Authorities, Tab 2.

the Quiver Report, the Receiver would otherwise need to undertake potentially protracted and uncertain recovery efforts in respect of the Sale Assets.

(c) *The Efficacy and Integrity of the Process*: The Receiver's marketing process was widespread and was conducted with the assistance of, amongst others, industry experts such as Quiver and Grant Thornton Corporate Finance Inc. A description of the Sales Process is set out in the Second Report, a copy of which has been served on all affected parties, with additional details in the Confidential Appendices.[30]

(d) *Whether the Process was Unfair*: For the reasons stated above, there was no unfairness in the process. The Receiver's rationale for its acceptance of the Bron Offer, as further negotiated, has been documented. There were no other Cash Offers involving the Sale Assets. There is no unfairness in the process nor in the ultimate result achieved through the proposed Transactions.

24. Where a receiver has canvassed alternatives and chosen a transaction, that transaction will be approved. Only in exceptional circumstances will the Court intervene and proceed contrary to the recommendation of the receiver.[31]

25. In *Skyepharma PLC v. Hyal Pharmaceutical Corp.*, Farley J. commented:

> Provided a receiver has acted reasonably, prudently and not arbitrarily, a court should not sit as in an appeal from a receiver's decision, reviewed in detail every element of the procedure by which the receiver made the decision (so long as that procedure fits with the authorized process specified by the court if a specific

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[30] Second Report, Confidential Appendices 3 through 7.
[31] *Morgan Trust Co. of Canada v. Falloncrest Financial Corp.*, [1996] O.J. No. 3919 at para. 11, aff'd [1996] O.J. No. 4298 (C.A.), leave to appeal dismissed, [1997] S.C.C.A. No. 4381; Brief of Authorities, Tab 3.

> order to that affect has been issued). To do so would be futile and duplicative. It would emasculate the role of the receiver and make it almost inevitable that the final negotiation of every sale would take place on the motion for approval. See *Royal Bank v. Soundair* at p. 14 and *Crown Trust Co. v. Rosenberg* at p. 109.[32]

26. As detailed above, the Receiver obtained an opinion of value from Quiver and conducted a lengthy Sales Process culminating in the APA. The Receiver believes that the Transactions are the best avenue by which to effect the greatest recovery of the Sale Assets (as defined in the APA).

27. A court may make an order vesting, in any person, an interest in any real or personal property that the court has authority to order be disposed of, encumbered or conveyed.[33]

28. The Receiver respectfully submits that the principles in *Soundair* have been satisfied and that its marketing process was, and the Transactions are, commercially reasonable. It is respectfully submitted that this Honourable Court should approve and authorize the APA, the Assignment Agreement, and the Transactions contemplated therein, and order that the Sale Assets be vested in the Purchaser in accordance with: (i) the terms of the APA; (ii) the draft Approval and Vesting Order filed; and (iii) the recommendations of the Receiver.

II. A Sealing Order is Appropriate with Respect to the Unredacted APA

29. A sealing order is required because the Confidential Appendix (the unredacted APA) contains the Purchase Price and Deposit Amount (the only redacted portions of the APA), the

[32] *Skyepharma PLC v. Hyal Pharmaceutical Corp.*, [1999] O.J. No. 4300, 12 C.B.R. (4th) 87 (Ont. S.C.J. [Commercial List]), at para. 7; aff'd (2000), 47 O.R. (3d) (Ont. C.A.) Brief of Authorities, Tab 4 [*Skyepharma*].
[33] *Courts of Justice Act*, R.S.O. 1990, c. C-34, as amended, s. 100.

release of which could prejudice the stakeholders of the Crystal Wealth Group should the Transactions not close.[34]

30. A Court may order that any document filed in a civil proceeding, be treated as confidential, sealed and that it not form part of the public record.[35]

31. The well-known test for determining whether a sealing order ought to be granted in a commercial context was set out by the Supreme Court of Canada in *Sierra Club of Canada v. Canada (Minister of Finance)*.[36] Judges of the Commercial List frequently recognize the usual and customary practice of seeking a sealing order in the context of a sale approval motion. In *Ron Handelman Investments Ltd. v. Mass Properties Inc.*, Madam Justice Pepall stated:

> [a]s is customary in sale approval motions, the Receiver seeks an order sealing the appraisal until the transaction is completed. This ensures the integrity of the process and avoids any prejudice to stakeholders in the event that the transaction does not close and a new purchaser must be sought.[37]

32. In the present case, a sealing order is appropriate for the following reasons:

(a) it would be prejudicial to the interests of the investors of certain Crystal Wealth Funds, and in particular the Media Fund, as well as the Crystal Wealth Group's other creditors, if the Confidential Appendix was not sealed and the Transactions

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[34] Second Report Supplement, Appendix 1.
[35] *Courts of Justice Act*, R.S.O. 1990, c. C-34, as amended, s. 137(2).
[36] *Sierra Club of Canada v. Canada (Minister of Finance),* [2002] S.C.R. 522 at para. 53 [*Sierra Club*], Brief of Authorities, Tab 5.
[37] *Ron Handelman Investments Ltd. v. Mass Properties Inc.* (2009), 55 C.B.R. (5th) 271 (Ont. S.C.J. [Commercial List]) at para. 26; Brief of Authorities, Tab 6.

do not close, since other potential purchasers would have a comparative advantage in any subsequent bidding process in respect of the Sale Assets; and

(b) there is no other reasonable alternative associated with preventing the Confidential Appendix from becoming public.

33. The Receiver respectfully submits that the principles in *Sierra Club* have been satisfied and that the sealing of the Confidential Appendix is necessary to ensure the integrity of the process and to avoid any prejudice to stakeholders in the event that the Transactions do not close and a new purchaser of the Sale Assets is sought.

PART V – CONCLUSION AND ORDER REQUESTED

34. The Receiver requests that this Honourable Court grant the relief sought in the Second Report Supplement.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

Date: February 16, 2018

per

Steven L. Graff (LSUC # 31871V)

Timothy Jones (LSUC #72265S)

Lawyers for Grant Thornton Limited, in its capacity as Receiver and Manager of the Crystal Wealth Group

Tab A

SCHEDULE "A"
LIST OF AUTHORITIES

Jurisprudence

1. *Royal Bank of Canada v. Soundair Corp.* (1991), 4 O.R. (3d) 1 (Ont. C.A.); **Brief of Authorities, Tab 1**

2. *Crown Trust Co. v. Rosenberg* (1986), 60 O.R. (2d) 87 (H.C.J.); **Brief of Authorities, Tab 2**

3. *Morgan Trust Co. of Canada v. Falloncrest Financial Corp.*, [1996] O.J. No. 3919, aff'd [1996] O.J. No. 4298 (C.A.), leave to appeal dismissed, [1997] S.C.C.A. No. 438 (S.C.C.); **Brief of Authorities, Tab 3**

4. *Skyepharma PLC v. Hyal Pharmaceutical Corp.*, [1999] O.J. No. 4300, 12 C.B.R. (4th) 87 (Ont. S.C.J. [Commercial List]); **Brief of Authorities, Tab 4**

5. *Sierra Club of Canada v. Canada (Minister of Finance)*, [2002] 2 S.C.R. 522 (S.C.C.); **Brief of Authorities, Tab 5**

6. *Ron Handelman Investments Ltd. v. Mass Properties Inc.* (2009), 55 C.B.R. (5th) 271 (Ont. S.C.J. [Commercial List]); **Brief of Authorities, Tab 6**

Tab B

SCHEDULE "B"
RELEVANT STATUTES

Courts of Justice Act, R.S.O. 1990, c. C-34

100. Vesting orders
A court may by order vest in any person an interest in real or personal property that the court has authority to order be disposed of, encumbered or conveyed.

137(2) Sealing documents
A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form part of the public record.

Securities Act, R.S.O. 1990, c. S.5

129.
129(1) Appointment of receiver, etc
The Commission may apply to the Superior Court of Justice for an order appointing a receiver, receiver and manager, trustee or liquidator of all or any part of the property of any person or company.

129(2) Grounds
No order shall be made under subsection (1) unless the court is satisfied that,

(a) the appointment of a receiver, receiver and manager, trustee or liquidator of all or any part of the property of the person or company is in the best interests of the creditors of the person or company or of persons or companies any of whose property is in the possession or under the control of the person or company or the security holders of or subscribers to the person or company; or

(b) it is appropriate for the due administration of Ontario securities law.

129(3) Application without notice
The court may make an order under subsection (1) on an application without notice, but the period of appointment shall not exceed fifteen days.

129(4) Motion to continue order
If an order is made without notice under subsection (3), the Commission may make a motion to the court within fifteen days after the date of the order to continue the order or for the issuance of such other order as the court considers appropriate.

129(5) Powers of receiver, etc
A receiver, receiver and manager, trustee or liquidator of the property of a person or company appointed under this section shall be the receiver, receiver and manager, trustee or liquidator of all or any part of the property belonging to the person or company or held by the person or company on behalf of or in trust for any other person or company, and, if so directed by the court, the receiver, receiver and manager, trustee or liquidator has the authority to wind up or manage the business and affairs of the person or company and has all powers necessary or incidental to that authority.

129(6) Directors' powers cease
If an order is made appointing a receiver, receiver and manager, trustee or liquidator of the property of a person or company under this section, the powers of the directors of the company that the receiver, receiver and manager, trustee or liquidator is authorized to exercise may not be exercised by the directors until the receiver, receiver and manager, trustee or liquidator is discharged by the court.

129(7) Fees and expenses
The fees charged and expenses incurred by a receiver, receiver and manager, trustee or liquidator appointed under this section in relation to the exercise of powers pursuant to the appointment shall be in the discretion of the court.

129(8) Variation or discharge of order
An order made under this section may be varied or discharged by the court on motion.

ONTARIO SECURITIES COMMISSION and **CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, *ET AL.***

Applicant | Respondents

Short Title of Proceedings

Court File No. CV-17-11779-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at TORONTO

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