September 28, 2018

**TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS**

**- and to –**

**CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS**

## Interim Distribution

Further to the Receiver's Notice to Investors dated August 21, 2018, the Receiver released the second interim distribution to the relevant custodial entities, including but not limited to National Bank Independent Network ("**NBIN**"), on **September 27, 2018**. Please note that it may take up to five (5) business days for the respective custodians to process the second interim distribution.

The second interim distribution has been made on a per unit basis, specific to each of the Crystal Wealth Funds, as outlined in the table below[1]. The amount that will be received by investors is based on: (i) the number of units held and (ii) the Crystal Wealth Funds in which an investor holds units. **The number of units held by each investor has not changed since the Appointment Order or the first interim distribution declared on January 18, 2018.**

| Fund | Fund Description | Per Unit |
|---|---|---|
| AAG210 | Crystal Wealth Mortgage Strategy | **$ 1.625** |
| AAG230 | Crystal Enlightened Resource and Precious Metals Fund | **$ 1.944** |
| AAG250 | Crystal Wealth Medical Strategy | **$ 1.678** |
| AAG300 | Crystal Wealth Media Strategy | **$ 2.479** |
| AAG310 | Crystal Wealth High Yield Mortgage Strategy | **$ 2.642** |
| AAG700 | ACM Income Fund | **$ 2.404** |
| AAG710 | ACM Growth Fund | **$ 0.179** |
| AAG786 | Absolute Sustainable Property Fund | **$ 2.203** |

**For example**, if an investor holds 1,000 units in the Crystal Wealth Mortgage Strategy (the "**Mortgage Fund**") and 500 units in the Crystal Wealth Medical Strategy (the "**Medical Fund**"), the investor would receive an interim distribution of $2,464. This amount is comprised of: (i) $1,625 based upon the number of units held by the investor in the Mortgage Fund (1,000 units x $1.625 per unit) and (ii) $839 based upon the number of units held by the investor in the Medical Fund (500 units x $1.678 per unit).

[1] A detailed explanation of the calculation of the per unit distribution to be received by certain of the Crystal Wealth Funds and the methodology of same is outlined in paragraphs 39 to 45 of the Receiver's Fourth Report to Court dated July 20, 2018 (the "**Fourth Report**") which was approved by the Court on August 20, 2018.

## Frequently Asked Questions

The Receiver has prepared answers to common questions that have been received from investors by the Receiver with respect to the second interim distribution.

***Q: Is this the final distribution?***

Answer:

The release of the second interim distribution **does not** mean that this is the final distribution to investors. That being said, as outlined in the Fourth Report, the Receiver has serious concerns as to the ultimate collectability of specific investments held in certain of the Crystal Wealth Funds and as a result, the Receiver cannot confirm at this time the quantum of a further distribution(s), if any.

***Q: Where will the funds be deposited?***

Answer:

As previously communicated, the second interim distribution will be deposited into an investor's account(s) which holds units in the Crystal Wealth Funds (e.g. if an investor's investments are held at NBIN, the second interim distribution will be deposited into each of the investor's NBIN account(s) in the form of cash). Once deposited, these monies will then be accessible to investors. This also means that distributions into registered accounts (e.g. RRSP, RRIF, TFSA, etc.) will be deposited into those registered accounts as cash.

***Q: Can I transfer or withdraw cash received from the interim distribution?***

Answer:

For investors whose units in the Crystal Wealth Fund(s) are in an account(s) at NBIN, the table below outlines the ways in which investors can access the cash available in their Registered Account(s) (e.g. TFSA, RRSP, RIF, LIF, etc.) and/or their Non-Registered Accounts (i.e. cash accounts).

| ACCOUNT TYPE | WITHDRAWAL METHOD | ACTION |
|---|---|---|
| **Registered Accounts** | Transfer cash to another financial institution | Must complete transfer forms with the receiving financial institutions (i.e. the institution where investors would like to transfer their cash) |
| | Withdrawal cash via cheque or electronic fund transfer (possible tax consequences may apply, please see note below) | Contact National Bank Independent Network directly (T: 416-542-2200 E: NBINinformation@nbc.ca) |
| **Non-Registered Accounts** | Transfer cash to another financial institution | Must complete transfer forms with the receiving financial institutions (i.e. the institution where investors would like to transfer their cash) |
| | Withdrawal cash via cheque or electronic fund transfer | Contact National Bank Independent Network directly (T: 416-542-2200 E: NBINinformation@nbc.ca) |

As previously communicated, while the second interim distribution to registered accounts will not trigger any tax consequences, withdrawals or transfers of same by investors may have tax implications. Neither the Receiver nor NBIN nor any other custodian can advise investors of the tax consequences that may or may not result from withdrawals from the account(s) as each investors' individual circumstances will vary. Investors are encouraged to speak with their tax advisors.

For investors whose units in the Crystal Wealth Fund(s) are in an account(s) at custodians other than NBIN, please contact your respective custodian for instructions on how to process a transfer or withdrawal request.

***Q: Is the Receiver's approval required for withdraws or transfers?***

Answer:

No. Investors, or their authorized representatives, can liaise directly with the custodian entity where their account(s) are held.

***Q: Do I have to report income on my tax return?***

Answer:

The Receiver will be providing relevant tax slips in accordance with the income tax legislation in Canada by no later than March 31, 2019. Such tax slips will provide the necessary information required for taxation reporting purposes for the entire 2018 calendar year.

Please contact the Receiver at any time should you have any questions.

Contact details for the Receiver:

> **Toll Free Number:** +1 (866) 448-5867
> **Email:** CrystalWealth@GrantThornton.ca
> **Receiver's Case Website:** www.GrantThornton.ca/CrystalWealth

**DATED** at Toronto, Ontario, this 28th day of September, 2018

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