March 28, 2019

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TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

The purpose of this notice is to provide a brief update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds. A more fulsome update will be provided in future reports to Court.

2018 Income Tax Slips

Investors who have non-registered accounts which hold units of Crystal Wealth Funds and who received an interim distribution in 2018 will receive tax slips shortly from the Receiver. Investors who have registered accounts (e.g. RRSP, RRIF, LIRA, and TFSA accounts) which hold units of Crystal Wealth Funds will not receive a tax slip from the Receiver.

Update on the Receiver's Realization Actions

The Receiver's Fourth Report to Court dated July 20, 2018 (the "**Fourth Report**") provided, among other things, an update on each of the Crystal Wealth Funds as well as a discussion of the investments in and the Receiver's findings regarding the:

- Factoring Contracts
- Gold Loans
- Commercial Loans
- US Real Estate Limited Partnership
- Medical Factoring Contracts
- NFL Participation Agreements
- Residential Mortgages

The underlying investments in each of the foregoing categories are complex and involve companies and principals of such investments (as well as their legal counsel) who are situated across Canada.

Since the Fourth Report, the Receiver has entered into or continued negotiations with companies and principals that have displayed good faith and remain cooperative with the Receiver. Due to the financial challenges and specific circumstances of such companies or principals, these negotiations have and will take some time to complete.

For those companies and principals who did not cooperate with the Receiver, the Receiver conducted examinations under oath of certain persons in order to assess, for the benefit of the investors, the likelihood of monetizing the non-traditional investments held in the Crystal Wealth Funds, as the books and records of the Crystal Wealth Funds were largely inaccurate and incomplete. As noted in the Fourth Report, the results of such necessary examinations were inconclusive as, in almost all cases, the principals provided incomplete answers and/or were evasive.

Accordingly and while being mindful of the costs of so doing, the Receiver employed various methods of furthering its investigative and realization efforts which included the following:

- issuing demands against relevant companies and individuals;
- commencing litigation proceedings against certain companies and individuals; and
- commencing bankruptcy proceedings against select companies.

All of the foregoing actions are on-going. Investors will be provided a detailed update in a future report to the Court.

In addition, a full accounting of each of the Crystal Wealth Funds (the same as that as contained in the Fourth Report) will be provided in a future report to the Court along with the Receiver's recommendation for another interim distribution if the available cash balances warrant same. At this time there are not enough monies to warrant another interim distribution.

Proposed Class Action and Receiver's Action against BDO Canada LLP

As previously communicated, Adair Goldblatt Bieber LLP ("**AGB**") is the Receiver's lawyer of record in an Ontario Superior Court of Justice action (the "**Receiver's Action**", and together with the Proposed Class Action, the "**BDO Actions**") against BDO Canada LLP ("**BDO**"). As noted in the Fourth Report, similar to the Proposed Class Action, the Receiver's Action pertains to the audit services provided by BDO prior to the receivership proceedings, but is brought on behalf of the Company and the Crystal Wealth Funds (as opposed to the investors directly).

Information in regards to the BDO Actions can be accessed at: www.agbllp.com/class-actions.html (the "**AGB Case Website**"); investors are encouraged to continue to monitor the AGB Case Website for further developments concerning the BDO Actions.

Should you have any questions regarding the Proposed Class Action and/or the Receiver's Action, please contact either Nathaniel Read-Ellis or Simon Bieber of AGB:

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

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 March, 2019.

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