Grant Thornton

March 8, 2018

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

Asset Sale of the Media Fund

The Receiver's Second Report to Court dated November 24, 2017 (the "**Second Report**") discussed in detail the Sales Process which the Receiver had conducted during the summer and fall of 2017. The purpose of the Sales Process was to solicit interest from parties who wished to either purchase the investments in one or more of the Crystal Wealth Funds or to assume the management of one or more of the Crystal Wealth Funds.

The Sales Process, for the reasons as set out in the Second Report, did not result in any offers being accepted, but mentioned the Receiver was in the process of advancing negotiations with respect of a cash offer; this cash offer was in regards to the sale of assets of the Crystal Wealth Media Strategy (the "**Media Fund**").

On February 8, 2018, the Receiver issued a Supplement to the Second Report which provided an update regarding the aforementioned negotiations and sought the Court's approval with respect to the Asset Purchase Agreement (the "**APA**") entered into between the Receiver and Bron Releasing Inc. (the "**Transaction**"). The Receiver's Supplement to the Second Report attached a copy of the APA which was redacted for the purchase price and deposit, given the release of such commercially-sensitive information could prejudice the Crystal Wealth Group's stakeholders if the Transaction is not completed.

On February 20, 2018, the Honourable Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) issued an order which approved, among other things, the Transaction. The Court was provided, under seal, a copy of the un-redacted APA. The Court was also provided a copy of the report of Quiver Capital Inc. (the "**Quiver Report**"), the Receiver's Media Fund consultant, which provided an assessment of the various film loans in the Media Fund and which was also attached as a sealed confidential appendix to the Supplement to the Second Report. The APA and the Quiver Report are to be sealed until the sale of the Media Fund closes in order to protect the integrity of the Sales Process.

The Court was satisfied that the Receiver conducted a proper Sales Process which resulted in only one cash offer for the purchase of Media Fund assets being received. The Court was also satisfied that the Receiver attempted to get the best price for the sale assets and had not acted improvidently, and that the purchase price amount is appropriate given the analysis and conclusions as contained in the Quiver Report. Accordingly, the Court approved the Transaction given the Receiver's recommendation that that Transaction is in the best interests of all parties, including investors.

The Transaction is scheduled to close no later than March 23, 2018. Once the Transaction closes, the Receiver will be issuing a further Notice to Investors advising that the un-redacted APA and the Quiver Report will be unsealed and posted on the Receiver's case website.

Second Interim Distribution of Certain Crystal Wealth Funds

The Receiver continues to pursue realization of the investments in the Crystal Wealth Funds. Such efforts include conducting examinations under oath of certain individuals associated with the Crystal Wealth Funds as authorized by the Appointment Order and the Court's Endorsement issued December 12, 2017. These examinations commenced in January 2018, and remain ongoing. The Receiver intends to update the Court on the results of the examinations in a subsequent motion to the Court.

An updated accounting of the funds in each of the Crystal Wealth Funds will also be provided to the Court and where feasible, a second interim distribution to certain Crystal Wealth Funds is anticipated to be recommended by the Receiver.

Should you have any further questions, please do not hesitate to contact the Receiver.

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DATED at Toronto, Ontario, this 8th day of March, 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