December 21, 2017

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

Following the issuance of the Receiver's Second Report to Court dated November 24, 2017 (the "**Second Report**"), on December 11, 2017, the Court heard the Receiver's motion and issued an Order that day, followed by the Court's Endorsement issued on December 12, 2017. Copies of the Order and Endorsement have been posted on the Receiver's Case Website.

The Order provides, among other things, that:

- The Receiver's resolution of the amended proof of claim filed by BDO Canada LLP ("**BDO**"), and the BDO Agreement (as defined in the Second Report), are approved by the Court.

- The Receiver's methodology and proposal to make interim distributions to investors of certain Crystal Wealth Funds (the "**Investors**"), as set out in the Second Report, is approved by the Court, and that the Receiver is authorized to make such interim distributions to Investors.

- Each of the following entities and/or individuals are specifically directed to provide the Receiver and its counsel, Aird & Berlis LLP ("**A&B**"), with all information previously sought from each of them in writing, by or on behalf of the Receiver, that remains still outstanding:

  (i) Jerry Froese ("**Froese**") – President & CEO of Frontline Factoring Inc. ("**Frontline**");

  (ii) Alberto Storelli, Brian Peoples; and Joe Harker as it relates to their involvement in the US Real Estate LP (defined and described in the Second Report);

  (iii) Craig Clydesdale ("**Clydesdale**") – principal of the OOM Energy Group (defined in the Second Report);

  (iv) Kari Gillespie ("**Gillespie**") – Operations Manager of Liberty Mortgage Services Ltd.;

  (v) Stephen Miller ("**Miller**") – a representative of MGE Corporation Limited;

  (vi) Chuck Pinnell – Principal of 611802 B.C. Ltd.; and

  (vii) Stan Spletzer – Principal of Solid Holdings Inc.

- The Receiver is authorized by the Court to examine the following individuals under oath pursuant to a summons, interprovincial summons, or letter of request as the case may be (and that the Receiver may apply without notice for any authorization or letter of request that it may require to compel the witnesses' attendance):

  (i) Al Housego, the former Lead Portfolio Strategist for certain of the Crystal Wealth Funds ("**Housego**");

  (ii) Clayton Smith ("**Smith**");

  (iii) Joanne Bentley;

  (iv) Clydesdale;

  (v) Gillespie;

  (vi) Miller;

  (vii) Steven Bandola, a former employee of Frontline;

  (viii) Pinnell; and

  (ix) Alan Braun – Principal of Onstar Exploration Ltd.

- The Receiver is authorized by the Court to examine the following individuals under oath in accordance with paragraph 6(s) of the Appointment Order dated April 26, 2017 (which Order is available on the Case Website):

  (i) Froese;

  (ii) David DenHollander, the President of 647497 B.C. Ltd.;

  (iii) Jeffrey Maljaars, Principal of 1566496 Alberta Ltd.

  (iv) Darcy Pahl, President of Dome Mountain Resources of Canada Inc.; and

  (v) Robert Maljaars, previous signing authority of Dome Mountain Resources of Canada Inc.

<u>Interim Distribution</u>

The Receiver continues to coordinate with the relevant financial institutions payment of the first interim distribution, as authorized by the Court in the December 11, 2017 Order. The Receiver will be releasing the first interim distribution in mid-January 2018, following the expiry of the appeal period of the December 11, 2017 Order. Investors who will be receiving an interim distribution will receive a communication from the Receiver on the day of payment including particulars of such payment.

<u>Income Tax Slips</u>

The Receiver will be providing relevant tax slips in accordance with the income tax legislation in Canada by no later than March 31, 2018.

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 21st day of December, 2017

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