July 7, 2017

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS ("Investors")

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

We wish to provide you with an update concerning the Receiver's recent motion, and the dismissal of Crawley MacKewn Brush LLP's ("**CMB**") motion to be appointed as representative counsel to investors. Both motions were heard on June 30, 2017 by the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List). For reasons elaborated upon below, our motion was granted,[1] while CMB's motion was dismissed.[2]

Since our appointment by the Court on April 26, 2017, our activities have been focused on achieving one objective: to protect and enhance your interests as investors. This objective will not change. We have made all efforts to diligently investigate and evaluate the Crystal Wealth Funds, in order to determine the appropriate approach by which to maximize returns on your investments. In granting the relief sought at our motion on June 30, 2017, the Court authorized two important steps which we proposed in order to achieve this goal:

I. The Court approved our request to make interim cash distributions to investors, where possible, from the proceeds of the divestiture of certain assets of Crystal Wealth Funds.[3] The Receiver will continue to provide further updates to investors, once available, concerning the proposed timing of such distributions; and

II. The Court approved our proposed Sales Process[4] to solicit interest from third parties with respect to the potential purchase, or assumption of the management of the investments of certain Crystal Wealth Funds which otherwise might require individual and protracted realization strategies given the alternative investments held by such Funds. We cannot predict the outcome of the Sales Process, or whether any attractive offers will be received,

---

[1] See on the Receiver's Case Website (www.grantthornton.ca/crystalwealth) the: (i) Order of Justice Hainey dated June 30, 2017; (ii) the Creditor Claims Procedure Order issued by Justice Hainey dated June 30, 2017; and (iii) the endorsement of Justice Hainey dated June 30, 2017.

[2] See the endorsement of Justice Hainey dated July 5, 2017 on the Receiver's Case Website.

[3] In this regard, the Receiver has begun carefully monetizing all marketable securities, where possible, held by the ACM Growth Fund, ACM Income Fund, Crystal Wealth Enlightened Factoring Strategy, Crystal Wealth Medical Strategy, Crystal Wealth Media Strategy, Crystal Enlightened Resource & Precious Metals Fund, and the Absolute Sustainable Dividend Fund.

[4] The Sales Process is described in the Receiver's First Report to Court dated June 22, 2017, which is published on the Receiver's Case Website.

but we will report to investors with further updates concerning the outcome of the Sales Process.

Should we believe that a third party offer from a potential purchaser or manager is in the best interest of investors, we will seek Court approval of such an offer prior to proceeding with it. Based on the current deadlines set out in the Sales Process, any such Court approval will likely be sought in late August/early September 2017.

Immediately following the hearing of our motion on June 30, 2017, Justice Hainey heard CMB's motion to be appointed as representative counsel to the investors and released his decision dismissing CMB's motion on July 5, 2017.[5]

Justice Hainey, in dismissing CMB's motion, agreed that representative counsel is not necessary for the following reasons:

i. The Receiver is protecting and advancing your interests as investors;

ii. Although the investors may be vulnerable, your vulnerability will be protected by the Receiver, who has been appointed by the Court for the sole purpose of acting in your best interest;

iii. The appointment of representative counsel will add unnecessary expense to the receivership which will adversely affect you as investors; and

iv. The representative counsel role is effectively duplicative to the role of the Receiver.

We assure each of you that we will continue to carry out our mandate in furtherance of your best interests, and in an effort to maximize returns on your investment. Please continue to provide us with your comments, feedback, and any inquiries at our contact information below, and continue to monitor our Case Website for further updates:

Toll Free Number: 1-866-448-5867

Local Number: 416-607-4130

Email: crystalwealth@grantthornton.ca

Case Website: www.grantthornton.ca/crystalwealth

DATED at Toronto, Ontario, this 7th day of July, 2017

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

[5] See the endorsement of Justice Hainey dated July 5, 2017 on the Receiver's Case Website.