



Court File No. CV-17-11779-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 1st

)

JUSTICE STEELE

)

DAY OF AUGUST, 2025

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, CLJ EVEREST LTD., 1150752 ONTARIO LIMITED, CRYSTAL WEALTH MEDIA STRATEGY, CRYSTAL WEALTH MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED RESOURCE & PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED BULLION FUND, ABSOLUTE SUSTAINABLE DIVIDEND FUND, ABSOLUTE SUSTAINABLE PROPERTY FUND, CRYSTAL WEALTH ENLIGHTENED HEDGE FUND, CRYSTAL WEALTH INFRASTRUCTURE STRATEGY, CRYSTAL WEALTH CONSCIOUS CAPITAL STRATEGY, CRYSTAL WEALTH RETIREMENT ONE FUND, and CHRYSALIS YOGA INC.

Respondents

Application under Section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended

ORDER

THIS MOTION, made by Grant Thornton Limited ("**GTL**"), in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**") of: (i) each of the Respondents except the Respondent, Chrysalis Yoga Inc. ("**Chrysalis Yoga**") (each of the Respondents except for Chrysalis Yoga being individually and collectively, the "**Crystal Wealth Group**"); and (ii) Receiver of the account of the Respondent, Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the "**Chrysalis Account**"), for an order, *inter alia*, approving the Sixth Report of the

Receiver dated July 23, 2025 (the “**Sixth Report**”), approving the Receiver’s proposal to make a final distribution, and discharging GTL as Receiver, was heard this day by video conference.

ON READING the Sixth Report, including the appendices thereto, the aide-mémoire of the Receiver, and on hearing the submissions of counsel for the Receiver and those other parties listed on the counsel slip, and no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Esther Sivalingam, filed,

DEFINITIONS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Sixth Report.

2. **THIS COURT ORDERS** that the time for service of the notice of motion and the Receiver’s motion record is hereby abridged and the service thereof validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the Sixth Report and the actions and activities of the Receiver and the Statement of Receipts and Disbursements of the Receiver as described in the Sixth Report are hereby approved provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Sixth Report.

4. **THIS COURT ORDERS** that the Fee Accrual (as defined in the Sixth Report) be and is hereby approved.

DISTRIBUTION

5. **THIS COURT ORDERS THAT** the Receiver be and is hereby authorized to release the West Pond Loan Funds to the Mortgage Fund and High Yield Mortgage Fund according to their proportionate interests in the Pond Loan participation agreements, as set out in the Sixth Report, subject to the following:

- (a) the Receiver shall temporarily holdback the West Pond Loan Funds in the amount of approximately \$1,356,000 from the final distribution to investors, to provide West's estate with time to file a proof of claim and responding materials with the Receiver with respect to these funds, as detailed in paragraph 5(b) below;
- (b) if West's estate does not deliver a proof of claim and responding materials to the Receiver by August 18, 2025, the Receiver shall be at liberty to proceed with distributing the West Pond Loan Funds to investors, and any future claim of West's estate to the West Pond Loan Funds shall be deemed to be barred;
- (c) if West's estate delivers a proof of claim and responding materials to the Receiver by August 18, 2025, the Receiver shall be permitted to allow or disallow all or part of the claim following its review, and to distribute the West Pond Loan Funds without further Order of this Court if agreement is reached by the Receiver with West's estate; and
- (d) the Receiver and West's estate shall return to Court to have the issue of entitlement to the West Pond Loan Funds determined, in the event that the Receiver disallows all or part of the claim of West's estate and in the event that no agreement is reached by the Receiver with West's estate as contemplated in paragraph 5(c) above.

6. **THIS COURT ORDERS** that the Receiver's methodology and proposal to make a final distribution to investors of certain Crystal Wealth Funds, as set out in the Sixth Report, be and is hereby approved, and that the Receiver is hereby authorized to make such final distribution to investors.

7. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to distribute to investors of certain Crystal Wealth Funds such further sums as may become available for distribution from time to time using the same methodology set out in the Sixth Report.

APPROVAL OF FEES

8. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP, as set out in the fee affidavits appended to the Sixth Report, be and are hereby approved.

RETURN OF RECORDS

9. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to return all records of the Company currently held by the Receiver to the Company's representative, Clayton Smith ("Smith"); however, should Smith not accept the Company's records, the Receiver is authorized to destroy the Company's records prior to the Receiver's discharge.

10. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

**Jana
Steele**

Digitally signed
by Jana Steele
Date: 2025.08.01
14:07:37 -04'00'

ONTARIO SECURITIES COMMISSION
Applicant

and

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED et al.
Respondent

Court File No. 17-11779-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

ORDER

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*Lawyers for Grant Thornton Limited, in its capacity as
Receiver and Manager of Crystal Wealth Management
System Limited et. al*